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Missouri State Auditor

City of Center

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Missouri State Auditor

CITIZENS SUMMARY

Findings in the audit of City of Center

<p>Background</p>	<p>In June 2019, the State Auditor's Office (SAO) Whistleblower Hotline received a complaint regarding the city's lack of compliance with state law for publishing financial statements and concerns about transparency of city officials and city operation. Subsequently, in early July, the Mayor contacted the SAO about how to initiate a state audit, and the Board of Aldermen passed an ordinance requesting an audit on July 3, 2019. On July 10, 2019, the SAO notified the Board that we accepted the city's request.</p> <p>The SAO issued subpoenas to various companies related to Tracey Ray's potential personal transactions paid using city funds.</p>
<p>Misappropriate Monies</p>	<p>Between January 1, 2015, and July 3, 2019, at least \$316,887 was misappropriated from the city. Improper disbursements totaling \$206,343 were made with city funds to pay the personal credit card bills of the former City Clerk. Personal credit card statements showed she spent over \$140,000 at various retail vendors. She also spent approximately \$23,000 at construction and home improvement stores and \$21,000 on entertainment, travel, and lodging. The former City Clerk also earned an additional \$1,997 of credit card rewards related to transactions paid for from city funds. She also made improper disbursements totaling \$62,013 from city funds for health insurance coverage after the Board voted to discontinue health insurance coverage in 2014.</p> <p>The former City Clerk made an additional \$35,547 in improper disbursements to several different entities, including property tax payments, life insurance companies, mortgage companies, retail stores, restaurants, and various other entities. She also improperly issued herself 5 additional payroll checks totaling \$3,080 and an unauthorized \$500 bonus check. In addition, at least \$7,407 of General and Sewer Fund receipts were not deposited. Audit staff identified an additional \$87,692 in questionable disbursements for which it is unclear if they were personal or related to city business.</p> <p>The former City Clerk falsified Board financial reports and lists of bills prepared for Board meetings to help conceal the improper disbursements.</p>
<p>Oversight and Annual Audits</p>	<p>The Board did not establish adequate oversight of the former City Clerk or obtain annual audits as required by state law.</p>
<p>Accounting Controls and Procedures</p>	<p>The city's procedures for receipting, recording, and depositing payments received are not adequate. The former City Clerk did not perform monthly bank reconciliations for any city bank accounts. Many city financial records could not be located.</p>
<p>Payroll</p>	<p>The city did not have records documenting the established compensation of city officials and employees. No one could provide documentation the former City Clerk prepared a timesheet during the audit period and no one documented review or approval of the former Police Chief's timesheets. In addition to the improper payroll disbursements identified, the former City Clerk and former Police Chief received other questionable payroll disbursements, totaling \$6,378.</p>

Financial Reporting, Published Financial Statements, and Budgets	The city did not comply with state laws regarding submitting annual financial reports, publishing financial statements, and preparing complete annual budgets.
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In the areas audited, the overall performance of this entity was Poor .*

*The rating(s) cover only audited areas and do not reflect an opinion on the overall operation of the entity. Within that context, the rating scale indicates the following:

- Excellent:** The audit results indicate this entity is very well managed. The report contains no findings. In addition, if applicable, prior recommendations have been implemented.
- Good:** The audit results indicate this entity is well managed. The report contains few findings, and the entity has indicated most or all recommendations have already been, or will be, implemented. In addition, if applicable, many of the prior recommendations have been implemented.
- Fair:** The audit results indicate this entity needs to improve operations in several areas. The report contains several findings, or one or more findings that require management's immediate attention, and/or the entity has indicated several recommendations will not be implemented. In addition, if applicable, several prior recommendations have not been implemented.
- Poor:** The audit results indicate this entity needs to significantly improve operations. The report contains numerous findings that require management's immediate attention, and/or the entity has indicated most recommendations will not be implemented. In addition, if applicable, most prior recommendations have not been implemented.

City of Center

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NICOLE GALLOWAY, CPA

Missouri State Auditor

To the Honorable Mayor
and
Members of the Board of Aldermen
City of Center, Missouri

We have audited certain operations of the City of Center as they relate to the city's finances in fulfillment of our duties under Chapter 29, RSMo. Due to concerns regarding missing monies and improper disbursements, the State Auditor initiated the audit with the approval of the City of Center Board of Aldermen. The scope of our audit included, but was not necessarily limited to the period from January 1, 2015, through July 3, 2019. The objectives of our audit were to:

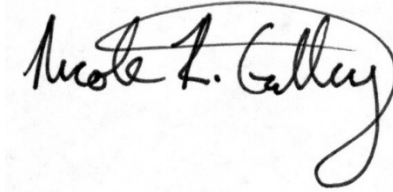
1. Evaluate the city's internal controls over significant management and financial functions.
2. Evaluate the city's compliance with certain legal provisions.
3. Evaluate the economy and efficiency of certain management practices and procedures, including certain financial transactions.
4. Determine the extent of monies misappropriated from the city.

Our methodology included reviewing minutes of meetings, written policies and procedures, financial records, and other pertinent documents; interviewing various personnel of the city, as well as certain external parties; and testing selected transactions. We obtained an understanding of internal control that is significant to the audit objectives and assessed the design and implementation of such internal control to the extent necessary to address our audit objectives. We also obtained an understanding of legal provisions that are significant within the context of the audit objectives, and we assessed the risk that illegal acts, including fraud, and violations of applicable contract, grant agreement, or other legal provisions could occur. Based on that risk assessment, we designed and performed procedures to provide reasonable assurance of detecting instances of noncompliance significant to those provisions.

We conducted our audit in accordance with the standards applicable to performance audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform our audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides such a basis.

The accompanying Organization and Statistical Information is presented for informational purposes. This information was obtained from the city's management and was not subjected to the procedures applied in our audit of the city.

For the areas audited, we identified (1) deficiencies in internal controls, (2) noncompliance with legal provisions, (3) the need for improvement in management practices and procedures, and (4) misappropriated monies and improper disbursements totaling at least \$316,887. The accompanying Management Advisory Report presents our findings arising from our audit of the City of Center.

A handwritten signature in black ink that reads "Nicole R. Galloway". The signature is written in a cursive style with a large, looping flourish at the end of the name.

Nicole R. Galloway, CPA
State Auditor

The following auditors participated in the preparation of this report:

Director of Audits:	Kelly Davis, M.Acct., CPA, CFE
Audit Manager:	Todd M. Schuler, CPA
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City of Center

Introduction

Background

The former City Clerk, Tracey Ray,¹ began employment with the city in May 2004. As City Clerk, Tracey Ray was responsible for the following financial accounting functions and records:

- Receipts - collecting and receipting all payments received by the city, posting transactions to the accounting system and customer sewer accounts, and preparing and making bank deposits. In October 2018, the city hired a part-time clerk to work with the former City Clerk. This clerk receipted some payments received, posted some sewer transactions into the accounting system, and prepared some deposits. The former City Clerk continued to be the only one making deposits.
- Disbursements - making purchases; preparing a list of bills to be paid each month and providing the list to the Board of Aldermen for approval; maintaining supporting documentation; preparing, signing, and distributing checks; posting disbursements to accounting records; and transferring money between city bank accounts. Only the Mayor and former City Clerk were authorized signers on the city bank accounts. Only one signature was required. The former City Clerk signed most checks.
- Payroll - calculating, preparing, and distributing payroll checks (including checks related to the payment of payroll taxes); posting disbursements to the accounting records; and preparing 941 and W-2 forms.
- City billings - preparing and mailing invoices for sewer services; and preparing and mailing tax statements for city personal and real estate property taxes.
- Bank accounts - receiving and reconciling monthly bank statements to accounting records.
- Reporting - preparing Board meeting minutes and financial reports.

In June 2019, the State Auditor's Office (SAO) Whistleblower Hotline received a citizen complaint regarding the city's lack of compliance with state law for publishing financial statements and concerns about the transparency of city officials about city operations. Subsequently, in early July, the Mayor contacted the SAO about how to initiate a state audit.

The Mayor indicated in subsequent discussions with the SAO that when the former City Clerk was on vacation in late June 2019, he was notified by the

¹ Tracey Ray's name at the time of initial employment was Tracey Carman.



City of Center Introduction

Ralls County Clerk that a large fine had been assessed by the state due to failure to file financial statements. He notified the former City Clerk of the fines and she stated she would address the situation upon her scheduled return to work on July 1, 2019. She failed to report for work that day. Investigation by the Mayor and other city officials revealed additional concerns and as a result of those concerns, the Board voted to terminate the former City Clerk's employment on July 3, 2019.

On July 3, 2019, the Board also passed an ordinance formally requesting and authorizing an audit by the SAO. On July 10, 2019, the SAO notified the Board in writing that we accepted the city's request. SAO staff visited the city to attempt to determine the type and extent of records maintained. Most financial data maintained in the city computer, including accounting system data, was not available and we determined financial records and supporting documentation, such as bank statements and reconciliations, invoices, receipt and deposit records, and payroll records were either not available or incomplete. We could not access the city accounting system data due to username and password protections and city officials could not provide access information for the system.

The SAO issued subpoenas to Capital One Bank, N.A., GM Card Services, Wells Fargo Bank, N.A., Family Heritage Life Insurance Company of America, CITI Bank NA and CITI Mortgage, Globe Life & Accident Insurance Company, Nationwide, Kohl's Department Store, and LaCrosse Lumber Company to produce records related to Tracey Ray's potential personal transactions paid using city funds. (See Appendixes A through I) These appendixes include redactions of information of a personal, privileged, or sensitive nature, and/or of information that is not directly related to the information requested in the subpoena.

The city's fiscal year is January 1 through December 31. The scope of our audit included, but was not necessarily limited to the period January 1, 2015, through July 3, 2019, based on the date the City Clerk left employment with the city. We applied procedures to city receipts and disbursements (including payroll), utility billings, and property tax transactions to determine the amount misappropriated, and the methods used to perpetrate and conceal the theft.

Criminal investigation

The Missouri State Highway Patrol and Ralls County Sheriff's Department also investigated criminal charges unrelated to the theft in July 2019. The Attorney General's Office (AGO) was appointed as special prosecutor in that case. The AGO filed charges related to that matter in November 2019 and Tracey Ray is currently awaiting trial on those charges. The FBI was contacted regarding the theft.

City of Center Management Advisory Report State Auditor's Findings

1. Misappropriated Money

Between January 1, 2015, and July 3, 2019, at least \$316,887² was misappropriated from the city. During this period, the former City Clerk, Tracey Ray, used city money to pay personal credit card bills totaling \$206,343 and obtained \$1,997 in credit card rewards points related to transactions paid for from city funds. The former City Clerk made improper payments using city money for health insurance coverage totaling at least \$62,013 and personal expenses totaling at least \$35,547. The former City Clerk also made improper payroll disbursements to herself totaling \$3,580 and did not deposit at least \$7,407 in cash receipts.

The following table provides a summary of the amounts misappropriated.

Type of Misappropriation	Year Ended, December 31, 2018				January 1 to	Total
	2015	2016	2017	2018	July 3, 2019	
Personal Credit Card Disbursements to Capital One (Appendix J)	\$ 0	64,307	36,631	55,711	49,694	206,343
Capital One Credit Card Rewards Earned From City Payments	0	556	458	580	403	1,997
Anthem Blue Cross Blue Shield Disbursements (Appendix L)	412	7,848	19,406	21,932	12,415	62,013
Other Improper Disbursements (Appendix M)	3,626	20,779	1,498	2,268	45	28,216
Improper Disbursements From Receipts and Invoices (Appendix N)	4,459	1,969	742	161	0	7,331
Improper Payroll Disbursements (Appendix O)	500	3,080	0	0	0	3,580
Undeposited Cash Receipts (Appendix P)	0	169	1,755	1,798	3,685	7,407
Total	\$ 8,997	98,708	60,490	82,450	66,242	316,887

Improper personal credit card disbursements

The former City Clerk made 30 improper disbursements totaling \$206,343 from 3 city bank accounts to pay personal Capital One/GM³ credit card bills between February 2016 and July 2019. (see Appendix J) Credit card statements from January 1, 2016 through August 2, 2019 were obtained by subpoena and showed the former City Clerk as a card holder for this account from January 2016 until August 1, 2016, when she became the owner after her divorce. The former city Police Chief⁴ became a card holder in August 2017 after he married the former City Clerk. They divorced after the audit period.

² Amounts presented in the report findings are rounded to the nearest dollar. The amounts presented in the report appendices are not rounded.

³ Checks were issued to Capital One and ACH transactions were to Capital One or GM Card Services. Subpoenas were issued to both entities. Credit card records indicate there was only one credit card account for a GM credit card issued by Capital One Bank, N.A.

⁴ The former Police Chief was hired June 1, 2016.



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 Management Advisory Report - State Auditor's Findings

Of the 30 improper disbursements, 22, totaling \$180,472, were electronic payments from city accounts, while 8, totaling \$25,871, were checks to Capital One Card Services, written from city bank accounts. Of the total disbursements made on the credit card account during the period of January 16, 2015 through July 2, 2019, only \$15,722 (7.08 percent), came from non-city accounts. Board members indicated the city did not maintain a credit card and they were unaware of the credit card disbursements from city funds. The disbursements to the credit card vendor were not reported on the list of bills presented to the Board for approval. (See Appendixes A and J)

The following table shows the credit card charges by the former City Clerk and other authorized users, between January 1, 2016 through July 3, 2019.

	Year Ended, December 31, 2018			January 1 to July 3, 2019	Total
	2016	2017	2018		
Tracey Ray	\$ 60,298	45,360	62,246	43,828	211,752
Other Authorized Users	1,184	4,063	1,199	800	7,246
Total	\$ 61,482	49,423	63,465	44,628	218,998¹

¹ Totals do not agree to the total improper disbursements because this information represents credit card charges rather than payments.

Our review of the personal credit card statements included scheduling the individual vendor disbursements and attempting to determine if any purchases related to city business that the former City Clerk could have requested reimbursement for. Invoices to support the purchases were not available, but we did not identify any reimbursable purchases or city-related vendors. We determined the former City Clerk spent \$143,290 at various retail vendors, including \$32,946 at Amazon and \$24,893 at Walmart. In addition, credit card statements showed the former City Clerk spent \$23,038 at construction and home improvement stores, including \$15,069 at Lowe's. The statements also showed the former City Clerk spent \$21,881 on entertainment, lodging, and travel, including vendors such as Explore America, HomeAway, Ticketmaster, and multiple hotels. The former City Clerk also spent \$2,645 at a hair salon, \$9,621 at various restaurants, and \$1,788 at various grocery stores. (See Appendix K)

Credit card rewards

In addition to the \$206,343 of improper city disbursements made for the former City Clerk's personal credit card charges, the former City Clerk earned \$1,997⁵ in rewards from those charges and spent \$1,911 of those rewards. The other \$86 remained in the credit card reward balance as of July 3, 2019.

⁵ The amount earned with city monies is 92.92 percent (percent of credit card payments made from city accounts) of the total rewards, \$2,149, earned during the audit period.



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**Anthem Blue Cross and
Blue Shield**

The former City Clerk made improper disbursements totaling \$62,013 from December 2015 through June 2019 to Anthem Blue Cross and Blue Shield (Anthem). She made 39 improper payments, totaling \$62,538, to Anthem and deposited 2 refund checks from Anthem, totaling \$525, into the city General Fund bank account. (See Appendix L)

On May 7, 2014, the Board voted to discontinue health insurance coverage for city employees as of July 2014. In December 2015, the former City Clerk began making payments from city funds for a policy with Anthem, without Board approval. The former City Clerk renewed this policy through a local insurance agent with an effective date of August 1, 2016. The former City Clerk paid \$2,058 for the coverage between December 2015 and July 2016 from city funds. Coverage information for this time period is unavailable. Beginning August 1, 2016, the policy with Anthem provided health insurance coverage for Tracey Ray, her husband, and 1 dependent child. The policy was renewed annually in August with coverage for the same individuals. Life and disability insurance was added for Tracey Ray and her husband, effective August 1, 2018.

**Improper personal
purchases**

From January 1, 2015, to July 3, 2019, the former City Clerk made improper disbursements totaling \$35,547. We reviewed bank records, available invoices and purchase receipt slips, and documentation provided upon subpoena to determine if purchases were personal in nature. Invoice and purchase receipt slip records were limited and often did not include the purpose of the purchase. We also discussed the purchases with the Mayor and Mayor Pro Tem and reviewed available accounting system reports and the lists of bills provided to the Board to determine if the purchases could be related to city business.

Improper disbursements determined through reviewing subpoenaed documentation and discussions with the Mayor and Mayor Pro Tem but are otherwise unsupported are included in Appendix M. Improper disbursements determined through reviewing available invoices and purchase receipt slips are included in Appendix N.

Improper tax disbursements

The former City Clerk made a \$1,342 disbursement from the General Fund account to the Audrain County Collector for the 2014 and 2015 real estate property taxes of the former Police Chief in May 2016. She described this disbursement as a "refund" on the accounting system register report. In addition, the former City Clerk made a \$198 disbursement from the General Fund account to the Marion County Collector for the 2014 personal property taxes of an individual in April 2015. We could not obtain contact information for this individual to get any additional information about the transaction. The Mayor and Mayor Pro Tem indicated they were unaware these disbursements occurred and saw no reason for the city to pay the real estate and/or personal



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property tax of any individual. It is unlikely these disbursements related to city business. (See Appendix M)

Mortgage payment

The former City Clerk made a disbursement, totaling \$1,000, in May 2016 from the city's General Fund account to CitiMortgage. Documentation provided by CitiMortgage upon subpoena showed the payment was for the former City Clerk's monthly mortgage payment and an additional amount towards the principal of the loan. The former City Clerk described this disbursement as a "refund" on city accounting system reports. The Mayor and Mayor Pro Tem indicated they were unaware this disbursement occurred. (See Appendixes E and M)

Family Heritage Life
Insurance Company of
America

The former City Clerk made 4 disbursements totaling \$2,208 to Family Heritage Life Insurance Company of America (Family Heritage). Of the disbursements, the former City Clerk made 3 from the city's General Fund account, totaling \$1,656, and 1 for \$552, from the city's Sewer Fund account. Documentation provided upon subpoena by Family Heritage showed these disbursements were premium payments for a life insurance policy for Tracey Ray. The Mayor and Mayor Pro Tem indicated they were unaware these disbursement occurred and the city did not offer life insurance as an employee benefit. (See Appendixes D and M)

Globe Life and Accident
Insurance Company

The former City Clerk made 4 disbursements totaling \$996 from the city's General Fund account to Globe Life and Accident Insurance Company (Globe Life). Documentation provided upon subpoena by Globe Life showed these disbursements were premium payments for 2 life insurance policies: 1 for Tracey Ray and 1 for her dependent child. Documentation provided indicates the former City Clerk also made payments for the policies from her personal accounts. The Mayor and Mayor Pro Tem indicated they were unaware these disbursements occurred and the city did not offer life insurance as an employee benefit. An accounting system report could only be located for the November 2016 disbursement. The report listed the purpose of the disbursement as insurance. Board members indicated they were not always provided accounting system reports. (See Appendixes F and M)

Other employee benefits

The former City Clerk made 5 disbursements, totaling \$2,311, including 4 disbursements, totaling \$1,694, from the General Fund account and 1 disbursement, for \$616, from the Sewer Fund account, to Aflac, Inc. (Aflac). The former City Clerk also made 4 disbursements, totaling \$1,165, from the General Fund account to Prudential Financial, Inc. (Prudential). Accounting system reports could only be located for the 3 disbursements made to Aflac and 2 disbursements made to Prudential in 2016. The reports listed the purpose of the disbursements as insurance and employee benefit, respectively. The Mayor and Mayor Pro Tem indicated they were unaware these disbursements occurred. We did not issue a subpoena to Aflac or Prudential because city officials indicated the city did not offer any insurance



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or other employee benefits after the Board voted to discontinue health insurance coverage in May 2014. Because all checks were signed solely by the former City Clerk and do not represent a valid city disbursement, these disbursements are considered improper and personal in nature. (See Appendix M)

Wells Fargo Bank

The former City Clerk made 4 improper disbursements totaling \$12,311 to Wells Fargo Bank, N.A. (Wells Fargo). The disbursements included 3, totaling \$12,281, from the Sewer Fund in 2016 and 1 for \$30, from the General Fund in 2017. The Mayor and Mayor Pro Tem indicated they were unaware these disbursements occurred and said the city maintained no accounts with Wells Fargo to justify these disbursements. The former City Clerk identified these disbursements as "refund" in available accounting system reports. If the city had no accounts with the financial institution, the likely only valid refunds to such an institution would relate to real estate property tax payments received. It is doubtful such refunds would be made from the Sewer Fund bank account because city personnel deposited tax receipts in the General Fund account. In addition, we reviewed deposit documentation and noted the city only received \$1,588 from Wells Fargo for taxes in 2015, prior to the 2016 disbursements of \$12,311, further indicating the amounts paid were not valid refunds.

We issued a subpoena to Wells Fargo for information pertaining to these disbursements, but the vendor could not locate related account information. Since all four checks were signed solely by the former City Clerk and do not represent valid refunds, these disbursements are considered improper. (See Appendixes C and M)

Kohl's Department Store

The former City Clerk made 5 disbursements between May 2016 and December 2018, totaling \$3,629, to Kohl's Department Store (Kohl's). The disbursements included 2 from the General Fund totaling \$1,257, 2 from the Sewer Fund totaling \$2,175, and 1 from the Park Fund for \$197. The Mayor and Mayor Pro Tem indicated they were unaware these disbursements occurred and stated the city maintained no accounts with Kohl's to justify these disbursements.

Accounting system reports could only be located for the 3 disbursements made in 2016 and each was identified as being for Park Days, a city annual festival generally held the last Saturday of July. However, the disbursements were made in May, October, and December 2016 indicating they were likely for another purpose than the July event. In addition, the accounting system report listed the October 2016 disbursement going to Kohl Wholesale, a food company, instead of the department store as the check shows. We issued a subpoena to Kohl's for information pertaining to these disbursements, but the vendor could not locate the account associated with these payments. Vendor officials indicated the company did not offer business charge accounts. Since



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all five checks were signed solely by the former City Clerk and do not represent valid city disbursements, these disbursements are considered improper and personal in nature. (See Appendixes H and M)

Related party disbursements The former City Clerk wrote 8 checks, totaling \$1,256, to her mother between May 2015 and March 2017. The Mayor and Mayor Pro Tem indicated they were unaware these disbursements occurred and did not know of any business the city had with this individual. Accounting system reports could only be located for the 3 disbursements made in 2016. The reports identified one disbursement from the Park Fund account was a Park Days expense for wristbands and the other two from the Sewer and Street Fund accounts were identified as park maintenance. Of the other 5 disbursements, 4 were from the General Fund account and 1 was from the Street Fund account. The city has no record of a W-2 or 1099 form issued to this individual for city work and there is no personnel file or other documentation to support she worked for the city. Since all 8 checks were signed solely by the former City Clerk and there is no supporting documentation to justify these disbursements, these disbursements are considered improper. (See Appendix M)

Other improper disbursements The former City Clerk made additional improper purchases totaling \$9,131 at retail stores, restaurants, and other various vendors. Our review identified numerous gift card purchases for retail stores and restaurants. She made the restaurant gift cards purchases at Walmart, Lowe's, Sam's Club, and Shopko. Other improper purchases included 2 payments to Hobby Lobby, totaling \$678, identified on accounting system reports as police department expenses. Also, the former City Clerk made a \$675 payment to an actuarial firm for Local Government Employees' Retirement System (LAGERS) valuation services for 2 city employees in 2016. This disbursement was not authorized by the Board and city officials indicated the city does not offer LAGERS retirement benefits and this benefit has not been considered. City officials believe the former City Clerk may have been considering adding such benefits without Board approval. Some of the other items improperly purchased included: boys clothing; curtains and curtain rods; light fixtures; door handles; flooring; a shower curtain, rod, and liner; towels; rugs; flower delivery; candy; groceries including crab legs and shrimp; and party supplies. (See Appendixes M and N)

Improper payroll disbursements The former City Clerk improperly issued herself 5 additional payroll checks, totaling \$3,080, between April 2016 and June 2016 and a \$500 bonus in December 2015. The additional checks were dated the same date for the same amount as 5 other payroll checks issued to the former City Clerk and bank records indicate the former City Clerk signed and endorsed each check. The former City Clerk also improperly issued herself a check for \$500 on December 3, 2015. This check was written on the same day as her weekly paycheck and was signed and endorsed by the former City Clerk. The memo line of the check indicated "bonus," but a review of the Board minutes in late



City of Center
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Undeposited cash
receipts

2015 do not document any discussion or approval of a bonus for the former City Clerk and the Mayor indicated bonuses are not given to employees. (See Appendix O)

At least \$7,407 of recorded General and Sewer Fund account cash receipts, received between January 2016 and June 2019, were not deposited. Receipt slips issued prior to November 15, 2015, are missing and other receipts were included in deposits that were not recorded for this period. Due to the missing records and unrecorded receipts we could not determine the total amount of money received but not deposited; however, it is likely additional money is missing.

City receipts include annual property tax payments due in December, sewer payments due annually until 2018 when the city began billing monthly, merchant license fees, park fees, and other miscellaneous receipts. City personnel also collected cash for Park Days for in 2015, 2016, and 2017.⁶ We compared available receipt slips that indicated cash as the method of payment to deposit documentation. (See Appendix P for details of cash receipt slips, deposits, and the differences in receipts and deposits for the General and Sewer Fund accounts.)

Available receipt slips and other documentation for the period January 2016 through June 2019, indicate cash totaling \$12,893 was received related to General and Sewer Fund activities, but only \$5,486 in cash was deposited in the General and Sewer Fund accounts. No cash receipts were deposited in the General and Sewer Fund accounts in 2016 or 2017, although available receipt slip records and other documentation show the city received cash related to these accounts during that time. Receipt slips indicate the payments were for sewer billings, town hall rentals, building permits, and other miscellaneous city receipts. In addition, documentation provided by the local coffee club indicates the club made cash donations to the city during this period. A representative from the club indicated the club gave the cash directly to the former City Clerk, but the club did not receive a receipt slip.

City officials indicated the city accepted cash payments and receipt slips and other documentation indicate cash payments occurred for sewer payments, property taxes, city stickers, merchant licenses, coffee club donations, and other various items. In addition, some cash was deposited to the General and Sewer Fund bank accounts in 2018 and 2019 indicating at least some customers paid cash and these payments were deposited in the related bank account.

⁶ As of 2018, Park Days operations are handled by a not-for-profit organization that supports the park.



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Unsupported
questionable
transactions

The former City Clerk primarily issued the receipts slips and made all the deposits. The current City Clerk, who was formerly the deputy City Clerk, indicated the former City Clerk did not allow her to make deposits.

In addition to the improper disbursements made by the former City Clerk, we also determined 247 disbursements, totaling \$87,692, made by the former City Clerk had no supporting documentation and were considered questionable based on discussions with city officials. (See Appendix Q)

Questionable transactions

We identified questionable transactions, after discussing disbursements from all city bank accounts from January 1, 2015 through July 3, 2019 (approximately \$1.4 million), with the Mayor and Mayor Pro Tem on January 9, 2020. The purpose of the meeting was to identify which vendors city officials believed to be valid and if the disbursements to any of these vendors were for city business. We also considered available transaction reports, the 2016 register report, and the list of bills prepared for the Board in determining the questionable disbursements presented.

These transactions include 76 disbursements, totaling \$38,375, to an individual who was an employee and also performed contract labor for the city. Disbursements identified as payroll for this individual in available accounting records were not questioned. Questionable disbursements also include 4 disbursements to the former City Clerk's then husband, totaling \$6,620; 21 disbursements to Lowe's, totaling \$6,366; 23 disbursements to Walmart, totaling \$6,302; and 9 cash withdrawals, totaling \$2,010.

Questionable related party
disbursements

Supporting documentation was not available for 4 disbursements made to the former City Clerk's husband during the time period the disbursements occurred. The disbursements, made between May and October 2015, totaled \$6,620. The former City Clerk made two of the disbursements, totaling \$1,780 from the General Fund and 2, totaling \$4,840, from the Sewer Fund. The memo line of one of the 2 checks from the Sewer Fund indicated "sewer main repair." When we discussed these disbursements with the Mayor and Mayor Pro Tem, both recalled work done by his construction company in 2015, but neither could determine a reason for the city to pay him personally and there was no documentation to support the disbursements. We located 3 invoices to support disbursements, totaling \$3,835, to his construction company in 2015, and those disbursements were not questioned.

In addition to the direct payments to the former City Clerk's husband in 2015, documentation provided by LaCrosse Lumber Company upon subpoena indicates the former City Clerk made a disbursement, totaling \$4,132, in August 2015, on the account of his construction company. Several of the invoices provided to support this payment made reference the Center Shelter House, which is a structure at the city park according to city officials.



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As previously discussed, the Mayor indicated he recalled the construction company performed some park and sewer repair work in 2015, but he could not provide any details or explain why the city would have paid the company's LaCrosse Lumber Company bill directly. The Mayor indicated the Board did not authorize the former City Clerk to pay a bill at the lumber company on her ex-husband's account and a review of the Board minutes identified no discussion or votes on any related topics. Since all checks to the former City Clerk's husband in 2015 were signed solely by the former City Clerk and there is no supporting documentation to justify these disbursements or explain why city funds were paid directly to the lumber company on the husband's company's account, we consider these disbursements to be questionable. (See Appendix Q)

Cash withdrawals

The former City Clerk made 9 unsupported, questionable cash withdrawals, totaling \$2,010. She made the withdrawals by writing checks to cash or the City of Center or through direct withdrawal. It is unclear if the cash was used for city business or personal purposes.

Eight of the cash transactions, totaling \$1,680, came from the Park Fund account. The Mayor indicated the Park Fund account cash transactions could have related to Park Days. One check written to cash for \$500 was dated July 27, 2017 (2 days before the event), and the memo line indicated "Park Day Cash boxes." In addition, two other checks, totaling \$275, written on July 21, 2016 (9 days before the event) had descriptions in the 2016 accounting system register report of "cash for change" and "cash for drink stand." For another check, written in February 2016, the 2016 accounting system register report listed the purpose as a park trivia night expense. No records of amounts brought in or spent on the annual Park Days or trivia night events were maintained to verify these notations. Three of the other 4 cash transactions are unlikely related to the annual Park Days event based on the dates of the transactions and the duties of the former City Clerk. The transactions were in May and June 2017, and July 2018 and the former City Clerk was not involved with Park Days after 2017.

The former City Clerk also wrote one check for \$330 to the City of Center from the Sewer Fund account. The Mayor indicated he does not know why she wrote a check to the City of Center, other than to get cash for an event. The city had no documentation to support this disbursement. She wrote the check in June 2019. The city held no events that month. (See Appendix Q)

Falsified records

The former City Clerk falsified Board financial reports and lists of bills prepared for Board meetings. The Mayor and some Board members indicated the former City Clerk provided various financial records for review at Board meetings, but the information provided was not consistent. Board meeting minutes indicate the Board approved financial statements and a list of bills to be paid monthly. We reviewed the available information including 8 months



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of account balance reports,⁷ and 7 months of bills to be paid lists⁸ provided to the Board.

Financial reports

The City Clerk falsified the cash balances of some bank accounts on financial reports prepared for monthly Board meetings.

Of the financial information provided to the Board by the former City Clerk, only 8 months of account balance summary reports are available. The bank account balances reported to the Board on these reports did not agree to the corresponding bank statements for 46 of the 48 (96 percent) checking account balances reported. Some balances reported are significantly less than the bank statement balances and others are more than the bank statement balances. Some differences may be due to reconciling items between accounting system records and bank statements; however we found no documentation indicating the former City Clerk prepared bank reconciliations (see MAR finding number 3.2). For example, the City Clerk prepared a report for the Board showing cash balances for each fund account as of December 31, 2018, that reported inaccurate account balances as follows:

Bank account	Account Balances	
	per Financial Report	Actual Bank Account Balances
CD - Sewer(1)	\$ 25,000	25,000
Fire Checking	7,023	4,497
General Checking	32,340	18,842
Park Checking	3,306	3,306
Police Training Checking	384	2,583
Sewer Checking	467,920	296,196
Street Checking	46,378	45,220
Total	\$ 582,351	395,644

(1) The Sewer CD is for 2 CDs; one for \$10,000 and one for \$15,000.

Actual bank statements were not presented at Board meetings according to city officials. The misreporting of these account balances concealed the depletion of the Sewer Fund account by the former City Clerk.

List of bills

The former City Clerk prepared inaccurate and incomplete lists of bills to be paid for monthly Board meetings. For example, the list for February 2019 (approved at the February 6, 2019 board meeting for bills due before the next

⁷ Account balance reports were available for 8 months (November 2016; November 2017; January, March, April, and December 2018; and January and February 2019).

⁸ Lists of bills to be paid were available for March, April, November, and December 2018 and January, February, and March 2019.



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Board meeting on March 6, 2019) was missing disbursements including payroll, a February 28 disbursement to South Lake Designs for \$200, a February 28 disbursement to the Postmaster for \$330, and a March 1 disbursement to Capital One for \$5,012. The February list also included items not paid until after the March Board meeting including a \$1,662 disbursement for a taser for the Police Department (paid March 13, 2019) and a \$66 utility bill listed (paid in April when a \$132 disbursement occurred).

Our review of the 7 available lists showed they did not include all payroll disbursements and the expenditures listed as improper in the Appendixes.

Additional falsified financial reports and lists of bills to be paid may have been prepared for other months during the audit period; but no other records could be located by city officials.

Overall conclusion

The Board did not provide sufficient oversight of the former City Clerk and city finances as discussed in the remainder of this report, which resulted in improper disbursements, including personal credit card payments and missing cash receipts going undetected for many years. The unusual nature and excessive number of checks written and electronic payments and lack of cash deposits should have caused suspicion and alerted the Board to the misappropriation. It is apparent the Board did not review the limited financial documents provided for accuracy or compare this information to any supporting documents, such as invoices, checks written, or bank statements. Inaccurate financial records provided to the Board helped conceal the misappropriation.

Recommendation

The Board of Aldermen continue to work with law enforcement officials regarding criminal prosecution of the improper disbursements and missing money. The Board should also review the questionable, unsupported disbursements and work with law enforcement officials regarding criminal prosecution of any personal purchases. The Board should take necessary action to obtain restitution for all improper disbursements and missing money. The Board should also ensure all disbursements are necessary and prudent uses of public funds.

Auditee's Response

We will continue to work with our legal counsel and law enforcement officials to pursue criminal prosecution of the former City Clerk. All Board members and the City Clerk will review the questionable disbursements identified in the audit report and work with law enforcement officials to determine if any of those disbursements were, in fact, fraudulent. We plan to pursue obtaining restitution for all fraudulent transactions and missing money and have already collected restitution totaling \$99,054 from the former City Clerk. We also plan to file a claim against her bond, which has coverage of \$25,000. We will take all necessary actions to obtain full restitution to the extent available by law. We have begun changing procedures regarding oversight



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of the receipting and disbursement process to ensure all future receipts are deposited and disbursements are valid uses of city funds.

2. Oversight and Annual Audits

2.1 Oversight and segregation of duties

The Board did not establish adequate oversight of the former City Clerk or obtain annual audits as required by state law.

The Board did not establish adequate segregation of duties or supervisory reviews over the various financial accounting functions performed by the former City Clerk, including various receipting, disbursement, and payroll handling functions, as identified in the background section. The Board also did not perform an adequate review of the documentation provided by the former City Clerk. The weaknesses identified throughout this report are significant and demonstrate a lack of segregation of duties and proper oversight by the Board that led to the misappropriation noted in MAR finding number 1.

The Mayor and Mayor Pro Tem indicated the financial statement documentation and lists of bills to be paid were only briefly reviewed before the Board approved the disbursements. The Board did not compare bank balances or individual transactions to a corresponding bank statement or invoice in order to ensure account balances were accurate, all transactions were accounted for, and expenditures were actually made to the indicated vendor. In addition, accounting system access was limited and checks only required one signature prior to August 2019. The former City Clerk was the primary signor of checks between January 2015 and July 3, 2019. If Board members had performed thorough reviews and required additional oversight of the disbursement process, it is likely they would have noted at least some the improper disbursements and inaccurate and incomplete reports provided.

Proper segregation of duties helps ensure transactions are accounted for properly and assets are adequately safeguarded. If proper segregation of duties is not possible, timely supervisory or independent reviews of work performed and investigation into unusual items or variances is necessary. Good management practices require extensive and detailed oversight by the Board.

2.2 Annual audits

The city does not obtain annual audits as required by state law and city officials do not know when the last audit of city finances occurred. Section 250.150, RSMo, requires the city to obtain annual audits of the sewerage system, and the cost of the audit is to be paid from the revenues received from the system.



Recommendations

The Board of Aldermen:

- 2.1 Segregate accounting duties to the extent possible and implement appropriate reviews and monitoring procedures over the city's financial activity.
- 2.2 Obtain annual audits of the sewerage system as required by state law.

Auditee's Response

- 2.1 *We agree and plan to continue to improve oversight procedures to monitor financial activity of the city. We now require 2 signatures on all disbursements and the 2nd signer must review an original vendor invoice at the time of signing. We are working with our City Clerk to determine the reports that will be provided to the Board for review at meetings and a rotating Board member will be responsible for reviewing other financial records periodically in the future.*
- 2.2 *We plan to get an annual audit for the year ended December 31, 2020, in accordance with state law.*

3. Accounting Controls and Procedures

Significant weaknesses exist in the city's accounting controls and procedures.

3.1 Receipting, reconciling, and depositing

The city's procedures for receipting, recording, and depositing payments received are not adequate. As a result, there is no assurance all money collected was properly receipted, recorded, and deposited.

- As noted in MAR finding number 1, receipt slips were not issued for all payments received. Bank records indicate the city deposited approximately \$1,034,600 in cash, checks, and money orders during the period January 2015 - July 3, 2019; however, the city could only provide 201 receipt slips totaling \$20,250 (2 percent of that amount). Receipt records provided indicate city personnel issued receipt slips for cash and check transactions. Deposit slips did not include the individual receipts composing deposits and other deposit records did not include the composition of the receipts. As a result, we could not determine if all payments received were properly accounted for and deposited into a city bank account. (See MAR finding number 1)
- No one independent of the receipting process accounts for the numerical sequence of receipt slips or reconciles the composition of receipts to the composition of deposits. As a result, there is no assurance all payments received are deposited.



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- Checks and money orders are not restrictively endorsed immediately upon receipt. The restrictive endorsement is applied when the deposit is prepared.

Failure to implement adequate receipting, reconciling, and depositing procedures along with accountability over city receipts increases the risk that loss, theft, or misuse of money received will go undetected.

3.2 Bank reconciliations

The former City Clerk did not perform monthly bank reconciliations for any city bank accounts. Prior to her termination in July 2019, there is no record of bank reconciliations being performed on any city bank account. In addition, the Mayor indicated the former City Clerk did not provide himself or the Board bank reconciliations to review and approve.

Monthly bank reconciliations help ensure receipts and disbursements have been properly handled and recorded, and increases the likelihood errors will be identified and corrected timely. Thorough independent and/or supervisory reviews of bank reconciliations help ensure all assets are adequately safeguarded.

3.3 Record retention

As noted throughout the report, many city financial records were not properly retained. Manual receipt books, deposit records, financial records provided to Board members, and supporting documentation for numerous disbursements could not be located by the city.

Retention of records is necessary to ensure the validity of transactions and provide an audit trail. Section 109.270, RSMo, provides that all records made or received by an official in the course of his/her public duties are public property and are not to be disposed of except as provided by law. Section 109.255, RSMo, provides that the Local Records Board issue directives for the destruction of records. Record retention schedules can be found on the Secretary of State's website.⁹

Recommendations

The Board of Aldermen:

- 3.1 Ensure all money collected is properly receipted. Ensure the numerical sequence of receipt slips are properly accounted for and reconcile the composition of receipts to the composition of deposits. Ensure checks and money orders are restrictively endorsed upon receipt. Ensure deposit slips or other records identify the individual receipts composing deposits.

⁹ <https://www.sos.mo.gov/archives/localrecs/schedules>



City of Center
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Auditee's Response

- 3.2 Perform monthly bank reconciliations of all bank accounts timely and ensure supervisory reviews of bank reconciliations are documented.
- 3.3 Retain all records in accordance with state law.
- 3.1 *Manual receipts slips are issued for all monies received now and those payments are then posted to the computer system. Deposit summaries are prepared to document each receipt deposited and we will include the receipt number on that summary in the future to ensure the numerical sequence of receipt slips is accounted for properly. Checks and money orders are now restrictively endorsed upon receipt and deposit summaries identify the individual payers, which will allow a Board member to ensure deposits were made intact.*
- 3.2 *We have combined all funds into one bank account and while bank reconciliations are not yet being performed, we plan to establish procedures to ensure bank reconciliations are performed monthly and those will be reviewed by a Board member in the future.*
- 3.3 *We will ensure records are retained in accordance with state law in the future.*

4. Payroll

Significant weaknesses exist in the city's payroll controls and procedures.

4.1 Compensation

The city does not maintain documentation of approved pay rates or changes to pay rates in employee personnel files and the compensation for city officials and employees is not set by ordinance as required. In addition, the city does not have adequate controls and procedures in place to ensure payroll disbursements for the Mayor and Aldermen are consistent and accurate.

No documentation is maintained to support the compensation of city officials and employees. Employees are paid weekly but the employee hourly pay rates have not been documented or set by ordinance. In addition, the annual pay for the Mayor and Aldermen is not documented or set by ordinance. The Mayor indicated he believed Mayor and Aldermen pay is based on the number of meetings attended during the year. However, we reviewed payroll disbursements made to the Mayor and Aldermen from April 2014 to March 2019¹⁰ and noted inconsistencies between the annual compensation paid to

¹⁰ This time period is different from our audit period (January 1, 2015 through July 3, 2019) because the Mayor and Aldermen are paid on an April - March year based on when municipal elections occur and the official's term begins (April).



City of Center
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city officials and the number of monthly board meetings attended. See the table below for inconsistent pay from the period April 2018 to March 2019.

Mayor and Aldermen meetings attended and pay

Position	Meetings Held	Meetings Attended	Annual Compensation
Dennis McMillen, Mayor	10	10	\$ 360
Jason Brown, Alderman	10	10	180
Cristy Browning, Alderwoman	10	10	200
Shawn Couch, Alderman	10	8	240
Aaron Jackson, Alderman	10	9	180

Without documentation of approved pay rates, there is less assurance payments to employees are properly authorized. In addition, documented approval by the Board of all employee pay and ordinances documenting approved pay rates helps ensure equitable treatment and prevent misunderstandings. Section 115.060 of the city code requires the Board to fix the compensation of all officers and employees of the city by ordinance. Section 79.270, RSMo, authorizes the Board to fix the compensation of all city officials and employees by ordinance.

4.2 Timesheets

No one could provide documentation that the former City Clerk prepared timesheets during the audit period and no one documented review and approval of the former Police Chief's timesheets. According to the Mayor, the former City Clerk was an hourly employee and he did not know if she prepared a weekly timesheet and he never approved a timesheet for her. City officials could not locate a timesheet to support any of the time she worked. In addition, the former Police Chief was the only signor on his timesheets and there is no indication of supervisory review or approval of them.

Without timesheets, the city does not have sufficient records to ensure the validity of payroll disbursements. To ensure the accuracy of the hours worked and leave taken, timesheets should be signed by the employees and reviewed and approved by a supervisor. In addition, the Fair Labor Standards Act (FLSA) requires employers maintain accurate records of actual time worked by employees.

4.3 Questionable payroll differences

In addition to the improper payroll disbursements identified in MAR finding number 1, additional questionable payroll disbursements, totaling \$6,348, were made to the former City Clerk and former Police Chief. A comparison of payroll disbursements to available accounting system reports identified payroll disbursements in excess of recorded payroll. As previously noted, the Board did not establish adequate oversight of the former City Clerk's payroll procedures, which may have allowed the difference in actual disbursements and amounts reported to go undetected. (See Appendix R)



City of Center
Management Advisory Report - State Auditor's Findings

We compared payroll disbursements per bank statements to the amounts reported on available accounting system register and transaction reports. Our review determined the amount paid to the former City Clerk exceeded the amount recorded by \$4,306 and the amount paid to the former Police Chief exceeded the amount recorded by \$2,042. The Mayor could not explain the differences. As previously noted, timesheets could not be located for the former City Clerk and neither the former City Clerk or former Police Chief had documented approved pay rates. As a result, we could not determine their appropriate pay.

The former City Clerk was solely responsible for issuing and recording payroll disbursements. Accounting system access was limited and the Board did not review any documents not provided by the former City Clerk or original documentation such as bank statements. As a result, the Board did not identify the differences. Good management practices require extensive and detailed oversight by the Board.

Recommendations

The Board of Aldermen:

- 4.1 Ensure pay rates are documented, approved, and established by ordinance as required for all city employees and officials and are maintained.
- 4.2 Ensure timesheets are prepared, approved, and maintained for all city employees.
- 4.3 Ensure reviews of payroll records are performed to ensure the propriety of payroll payments, and review the questionable payroll disbursements and consider working with law enforcement officials regarding criminal prosecution of the questionable disbursements.

Auditee's Response

- 4.1 *We have recently adopted an ordinance regarding Board members pay which establishes an annual payment amount of compensation for each Board member. We will ensure the ordinance is followed in the future. We will adopt ordinances establishing the rate of pay for all city employees and appointed officials.*
- 4.2 *We agree and have already implemented this recommendation.*
- 4.3 *The Mayor or another Board member has been reviewing payroll records and timesheets for employees at least monthly. We will review the questionable payroll transactions and discuss with law enforcement officials whether these payments constitute fraud. We will also attempt to determine if additional overpayments occurred.*



5. Financial Reporting, Published Financial Statements, and Budgets

The city did not comply with state law relating to submitting annual financial reports, publishing financial statements, and preparing complete annual budgets.

5.1 Financial reporting

Neither the Board nor the former City Clerk submitted a financial report to the SAO as required by state law for the years ended December 31, 2018, 2017, or 2016. As a result, the state imposed fines totaling \$157,000 as of July 2019, as provided in Section 105.145, RSMo. The Missouri Department of Revenue (DOR) reduced the city's sales and use tax distributions by \$12,238 to offset part of the fines leaving a balance of \$144,762 as of June 30, 2019. The city incurred another \$5,000 fine for 10 days in July 2019 that the DOR notified the city of in August 2019, and the DOR continued to reduce the city's sales and use tax distributions. The city owed \$148,240 as of October 31, 2019.

DOR records indicate the department first notified the city of the noncompliance and resulting fines in July 2018 and sent letters monthly after that. The Mayor indicated he was unaware of the letters and city officials cannot locate any of the letters sent before July 2019. City officials believe the former City Clerk may have discarded them. In July 2019, the Mayor sent a letter to the DOR indicating the city's records were in the possession of the SAO as of July 10, 2019 and the city could not produce a financial statement. As a result the city stopped incurring fines as of July 11, 2019.

Section 105.145, RSMo, requires each political subdivision to file an annual report of its financial transactions with the SAO. Section 105.145.5, RSMo, prohibits elected officials from processing disbursements after the deadline to submit the financial statement and until the financial statement is submitted to the SAO. In addition, 15 Code of State Regulations (CSR) 40-3.030, requires each political subdivision to file annual financial reports within 6 months of the end of the subdivision's fiscal year. Effective August 28, 2017, under Section 105.145, RSMo, the SAO must notify the Missouri Department of Revenue if a political subdivision fails to file a timely financial statement. Failure to timely file a financial statement may subject the political subdivision to a fine of \$500 per day.

5.2 Published financial statements

City officials did not publish semiannual financial statements as required by state law. The Mayor indicated he believed the former City Clerk was publishing the statements, but he contacted the local newspaper and determined they had not been published during the audit period. As a result, information regarding the city's financial activity and condition was not available to all citizens.



City of Center
Management Advisory Report - State Auditor's Findings

Section 79.160, RSMo, requires the Board to prepare and publish financial statements semiannually that include a full and detailed account of the receipts, disbursements, and indebtedness of the city. To ensure compliance with state law, the Board should require timely preparation of financial statements and review the statements prior to publication.

5.3 Budgets

The city's budgets do not contain all statutorily required elements and the Board did not approve the annual budgets timely. The 2015, 2018, and 2019 budgets did not include a budget message or budget summary. The city could not locate the 2016 and 2017 budget documents for our review. In addition, the Board meeting minutes indicate the 2015-2019 budgets were approved in January, after the beginning of the fiscal year.

Section 67.010, RSMo, requires the budget present a complete financial plan for the ensuing budget year and sets specific guidelines for the information to be included in the budget. A complete and well-planned budget, in addition to meeting statutory requirements, can serve as a useful management tool by establishing specific financial expectations for each area of city operations. It also assists in providing information to the public about city operations and current finances. In addition, Section 67.030, RSMo, states the governing body shall approve and adopt the annual budget prior to the beginning of the fiscal year.

Recommendations

The Board of Aldermen:

- 5.1 Submit annual financial reports to the State Auditor's Office as required by state law.
- 5.2 Publish semiannual financial statements as required by state law.
- 5.3 Prepare annual budgets that contain all information required by state law and approve the budget prior to the beginning of the fiscal year.

Auditee's Response

- 5.1 *We will ensure financial reports are filed with the State Auditor's Office as required in the future. We plan to contact the Department of Revenue to discuss the potential for having our fines waived or significantly reduced.*
- 5.2 *This recommendation has been implemented, The first semiannual financial statement covering the first half of 2020 has already been published.*
- 5.3 *We agree and have already implemented this recommendation.*

City of Center

Organization and Statistical Information

The City of Center is located in Ralls County. The city was founded in 1868 and is currently a fourth-class city. The city employed 2 full-time employees and 4 part-time employees on July 3, 2019.

The city government consists of a mayor and a 4-member board of aldermen. The members are elected for 2-year terms. The mayor is elected for a 2-year term, presides over the board of aldermen, and votes only in the case of a tie. The Mayor and Board of Aldermen, at July 3, 2019, are identified below. The Mayor and Aldermen are paid on an annual basis for their services performed between the months of April and the subsequent March. The amount paid is not set by ordinance.

Mayor and Board of Aldermen

Name	Dates of Service
Dennis McMillen, Mayor	April 2004 to current
Tom Bramblett, Mayor Pro Tem	April 2019 to current
Cristy Browning, Alderwoman	April 2018 to current
Shawn Couch, Alderman	April 2006 to current
Steven Reynolds, Alderman (1)	April 2019 to current

(1) Steve Reynolds was selected to be Mayor Pro Tem in June 2020.

Financial Activity

A summary of the city's financial activity, prepared by the city, for the year ended June 30, 2019, follows:



City of Center
Organizational and Statistical Information

CITY OF CENTER, MISSOURI - FINANCIAL STATEMENT				
January 1, 2019 through December 31, 2019				
	Beginning BALANCE	REVENUE	EXPENSES	Ending BALANCE
General Fund	18842	158,039	131,891	44,990
Sewer Fund	296196	134,504	144,977	285,723
Street Fund	45220	32,387	43,620	33,987
Fire Fund	4497	9,048	4,037	9,508
Park Fund	3306	1,543	4,152	697
Police Fund	2583	57	2,640	0
Totals	370644	335,578	331,317	374,905
We hereby verify that to the best of our knowledge the above statement				
is true and correct according to the unaudited records on file in the office				
of the City of Center, Missouri				
Jeanne Franke			Dennis McMillen	
Acting City Clerk			Mayor	

City of Center

Supporting Documentation of Misappropriated Money and Questionable Disbursements

The following appendixes provide supporting documentation for the subpoenas issued, improper disbursements, undeposited cash receipts, and questionable disbursements discussed in MAR finding number 1 and are summarized in the following table:

Appendix	Type of Supporting Documentation
A	State Auditor Subpoena - Capital One Bank, N.A.
B	State Auditor Subpoena - GM Card Services c/o Capital One Bank, N.A.
C	State Auditor Subpoenas - Wells Fargo Bank, N.A.
D	State Auditor Subpoena - Family Heritage Life Insurance Company of America
E	State Auditor Subpoena - CITI Bank NA and CITI Mortgage
F	State Auditor Subpoena - Globe Life and Accident Insurance Company
G	State Auditor Subpoena - Nationwide
H	State Auditor Subpoena - Kohl's Department Store
I	State Auditor Subpoena - LaCrosse Lumber Company
J	Improper Disbursements to Capital One Bank, N.A.
K	Personal Credit Card Charges - Capital One Bank, N.A.
L	Improper Disbursements to Anthem Blue Cross and Blue Shield
M	Other Improper Disbursements
N	Other Improper Disbursements Documented on Receipt Slips and Invoices
O	Improper Payroll Disbursements
P	Undeposited Cash Receipts - General and Sewer Fund Accounts
Q	Questionable Unsupported Disbursements
R	Questionable Payroll Disbursements



Appendix A
City of Center
State Auditor Subpoena - Capital One Bank, N.A.

The date of birth, social security number, addresses, and account numbers have been redacted.



OFFICE OF MISSOURI STATE AUDITOR

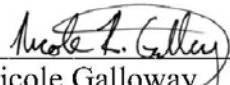
SUBPOENA

**To: Capital One Bank (USA), N.A.
Attn: 12070-7000 (Subpoena Dept.)
15000 Capital One Drive
Richmond, VA 23238-1119**

YOU ARE COMMANDED AND REQUIRED to appear personally before the State Auditor or her representative(s) at the Truman State Office Building, 301 West High Street Room 880, Jefferson City, Missouri 65101, at 10:00 a.m. on Wednesday, January 17, 2020, for purposes of providing testimony and producing for examination, copying, and interrogation the records and documents described in Exhibit A attached to this Subpoena.

In lieu of appearance, you may ship the records responsive to this subpoena to the Missouri State Auditor to the attention of Kelly Davis at 301 W. High St., Room 880, Jefferson City, MO 65102.

ISSUED this 18th day of December, 2019, pursuant to Section 29.235.4(1) of the Revised Statutes of Missouri.



Nicole Galloway
Missouri State Auditor



OFFICE OF MISSOURI STATE AUDITOR

Exhibit A - Page 1 of 4

Please produce all records of transactions between and including the dates of February 1, 2016, and July 31, 2019, for the following account(s) with Capital One Card Services, individual or joint:

Name(s): Tracey Marie Sharp (Maiden)
Tracey Marie Carman
Tracey Marie Ray

Date of Birth: [REDACTED]

Last four digits of social security number: [REDACTED]

Capital One Card Services account number(s): unknown

Account holder may be listed at any of the following addresses:

[REDACTED]

[REDACTED]

[REDACTED]



OFFICE OF MISSOURI STATE AUDITOR

Exhibit A - Page 2 of 4

Payments to this account(s) were made by city check or electronic fund transfer from the following City of Center accounts:

Account Name:	City of Center General Fund		
Account Number:	██████		
Routing Number:	██████		
	Date of Payment	Method of Payment (Check Number or ACH)	Payment Amount
	2/29/2016	16664	1,978.54



Appendix A
City of Center
State Auditor Subpoena - Capital One Bank, N.A.



OFFICE OF MISSOURI STATE AUDITOR

Exhibit A - Page 3 of 4

Account Name:	City of Center Sewer Fund		
Account Number:	[REDACTED]		
Routing Number:	[REDACTED]		
	Date of Payment	Method of Payment (Check Number or ACH)	Payment Amount
	2/29/2016	2740	1,094.89
	6/14/2016	2761	2,803.15
	7/18/2016	2769	2,908.00
	8/29/2016	2782	4,996.27
	9/26/2016	2789	5,962.18
	10/18/2016	2797	3,153.80
	11/22/2017	ACH	14,000.00
	5/16/2018	ACH	12,272.95
	7/10/2018	ACH	4,882.32
	7/26/2018	ACH	4,862.53
	8/16/2018	ACH	6,091.93
	9/27/2018	ACH	6,048.28
	11/2/2018	ACH	6,393.14
	11/28/2018	ACH	8,952.75
	12/28/2018	ACH	6,206.76
	2/1/2019	ACH	7,294.18
	3/1/2019	ACH	5,012.42
	3/12/2019	ACH	9,014.66
	4/30/2019	ACH	8,538.79
	5/24/2019	ACH	6,712.24
	7/2/2019	ACH	13,121.76



OFFICE OF MISSOURI STATE AUDITOR

Exhibit A - Page 4 of 4

Account Name:	City of Center Street Fund		
Account Number:	██████		
Routing Number:	██████		
	Date of Payment	Method of Payment (Check Number or ACH)	Payment Amount
	2/16/2017	2134	2,973.61

This request for records includes all matters that exist in paper ("hard copy") or electronic form (including but not limited to records and data maintained on computer, tablets, smart phones, external electronic storage drives, thumbnail drives, remote servers or back up tapes). All information requested in the items above are subject to inspection, review and copying by the state auditor. Section 29.235.4(1), RSMo.



Appendix B
City of Center
State Auditor Subpoena - GM Card Services c/o Capital One Bank, N.A.

The date of birth, social security number, addresses, and account numbers have been redacted.



OFFICE OF MISSOURI STATE AUDITOR

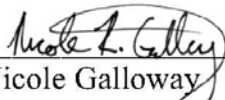
SUBPOENA

**To: Capital One Bank (USA), N.A.
Attn: 12070-7000 (Subpoena Dept.)
15000 Capital One Drive
Richmond, VA 23238-1119**

YOU ARE COMMANDED AND REQUIRED to appear personally before the State Auditor or her representative(s) at the Truman State Office Building, 301 West High Street Room 880, Jefferson City, Missouri 65101, at 10:00 a.m. on Wednesday, January 17, 2020, for purposes of providing testimony and producing for examination, copying, and interrogation the records and documents described in Exhibit A attached to this Subpoena.

In lieu of appearance, you may ship the records responsive to this subpoena to the Missouri State Auditor to the attention of Kelly Davis at 301 W. High St., Room 880, Jefferson City, MO 65102.

ISSUED this 18th day of December, 2019, pursuant to Section 29.235.4(1) of the Revised Statutes of Missouri.



Nicole Galloway
Missouri State Auditor



OFFICE OF MISSOURI STATE AUDITOR

Exhibit A - Page 1 of 2

Please produce all records of transactions between and including the dates of April 1, 2016, and July 31, 2019, for the following account(s) with GM Card Services, individual or joint:

Name(s): Tracey Marie Sharp (Maiden)
Tracey Marie Carman
Tracey Marie Ray

Date of Birth: [REDACTED]

Last four digits of social security number: [REDACTED]

GM Card Services account number(s): unknown

Account holder may be listed at any of the following addresses:

[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]



OFFICE OF MISSOURI STATE AUDITOR

Exhibit A - Page 2 of 2

Payments to this account(s) were made by electronic fund transfer from the following City of Center account:

Account Name:	City of Center Sewer Fund		
Account Number:	██████		
Routing Number:	██████		
	Date of Payment	Method of Payment (Check Number or ACH)	Payment Amount
	4/27/2016	ACH	11,000.00
	9/1/2016	ACH	4,971.78
	11/30/2016	ACH	11,835.57
	12/27/2016	ACH	13,603.17
	5/3/2017	ACH	8,924.30
	7/5/2017	ACH	5,486.88
	8/29/2017	ACH	5,245.68

This request for records includes all matters that exist in paper ("hard copy") or electronic form (including but not limited to records and data maintained on computer, tablets, smart phones, external electronic storage drives, thumbnail drives, remote servers or back up tapes). All information requested in the items above are subject to inspection, review and copying by the state auditor. Section 29.235.4(1), RSMo.



Appendix C
City of Center
State Auditor Subpoenas - Wells Fargo Bank, N.A.

Certain names, dates of birth, social security numbers, addresses, and account numbers have been redacted.



NICOLE GALLOWAY, CPA
Missouri State Auditor

January 8, 2020

Wells Fargo Bank, N.A.
221 Bolivar
Jefferson City, MO 65101

RE: Subpoena from Missouri State Auditor

To whom it may concern:

Enclosed is a subpoena from the Missouri State Auditor's office. It is requesting records for an account for which the number is unknown. We have provided some details that may help identify the account. If those details are insufficient, we would appreciate it if you would let us know so that we may determine if we have any other details that might be helpful.

Production of the records themselves will satisfy the subpoena. If the date set forth in the subpoena is problematic, please let me know as soon as possible.

If you have any questions you may contact Todd Schuler by mail at Fletcher Daniels State Office Building, 615 East 13th Street, Room 306, Kansas City, Missouri 64106, as well as by phone at (816) 889-3658 or e-mail at todd.schuler@auditor.mo.gov.

A handwritten signature in blue ink, appearing to read "Joel E. Anderson".

Joel E. Anderson
Chief Litigation Counsel



Appendix C
City of Center
State Auditor Subpoenas - Wells Fargo Bank, N.A.



OFFICE OF MISSOURI STATE AUDITOR

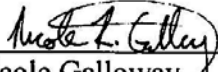
SUBPOENA

To: **Wells Fargo Bank, N.A.**
221 Bolivar
Jefferson City, MO 65101

YOU ARE COMMANDED AND REQUIRED to appear personally before the State Auditor or her representative(s) at the Truman State Office Building, 301 West High Street Room 880, Jefferson City, Missouri 65101, at 10:00 a.m. on Friday, February 7, 2020, for purposes of providing testimony and producing for examination, copying, and interrogation the records and documents described in Exhibit A attached to this Subpoena.

In lieu of appearance, you may ship the records responsive to this subpoena to the Missouri State Auditor to the attention of Kelly Davis or Joel Anderson at 301 W. High St., Room 880, Jefferson City, MO 65102.

ISSUED this 8th day of January, 2020, pursuant to Section 29.235.4(1) of the Revised Statutes of Missouri.



Nicole Galloway
Missouri State Auditor

I served the foregoing subpoena by personal delivery on this 8th day of January, 2020.



Matthew Subler



OFFICE OF MISSOURI STATE AUDITOR

Exhibit A - Page 1 of 2

Please produce all records of transactions between and including the dates of June 1, 2016, and July 31, 2019, for the following account(s) with Wells Fargo Bank, individual or joint:

Name(s): Tracey Marie Sharp (Maiden)
Tracey Marie Carman
Tracey Marie Ray

Date of Birth: [REDACTED]

Last four digits of social security number: [REDACTED]

Wells Fargo Bank account number(s): unknown

Account holder may be listed at any of the following addresses:

[REDACTED]

[REDACTED]

[REDACTED]



OFFICE OF MISSOURI STATE AUDITOR

Exhibit A - Page 2 of 2

Payments to this account(s) were made by city check from the following City of Center accounts:

Account Name: City of Center General Fund
Account Number: [REDACTED]
Routing Number: [REDACTED]

Date of Payment	Method of Payment (Check Number or ACH)	Payment Amount
12/29/2017	17322	30.00

Account Name: City of Center Sewer Fund
Account Number: [REDACTED]
Routing Number: [REDACTED]

Date of Payment	Method of Payment (Check Number or ACH)	Payment Amount
6/16/2016	2762	2,933.99
7/19/2016	2767	5,726.00
7/19/2016	2768	3,621.00

This request for records includes all matters that exist in paper ("hard copy") or electronic form (including but not limited to records and data maintained on computer, tablets, smart phones, external electronic storage drives, thumbnail drives, remote servers or back up tapes). All information requested in the items above are subject to inspection, review and copying by the state auditor. Section 29.235.4(1), RSMo.



Appendix C
City of Center
State Auditor Subpoenas - Wells Fargo Bank, N.A.



OFFICE OF MISSOURI STATE AUDITOR

SUBPOENA

To: **Wells Fargo Bank, N.A.**
221 Bolivar
Jefferson City, MO 65101

YOU ARE COMMANDED AND REQUIRED to appear personally before the State Auditor or her representative(s) at the Truman State Office Building, 301 West High Street, Room 880, Jefferson City, Missouri 65101, at 10:00 a.m. on March 13, 2020, for purposes of providing testimony and producing for examination, copying, and interrogation the records and documents described in Exhibits A through F attached to this Subpoena.

In lieu of appearance, you may ship the records responsive to this subpoena to the Missouri State Auditor to the attention of Kelly Davis or Joel Anderson at 301 W. High St., Room 880, Jefferson City, MO 65101.

ISSUED this 26th day of February, 2020, pursuant to Section 29.235.4(1) of the Revised Statutes of Missouri.

Handwritten signature of Nicole Galloway in black ink.

Nicole Galloway
Missouri State Auditor

I served the foregoing subpoena by personal delivery on this 26th day of February, 2020.

Handwritten signature of Matt Balluff in black ink.



Appendix C
 City of Center
 State Auditor Subpoenas - Wells Fargo Bank, N.A.



OFFICE OF MISSOURI STATE AUDITOR

Exhibit A - Page 1 of 2

Please produce all records of the four payments listed below payable to any Wells Fargo Bank account. Please ensure that such records show the name or names of the account holders to whose accounts each such payment was applied:

Account Name: City of Center General Fund
Account Number: [REDACTED]
Routing Number: [REDACTED]

Date of Payment	Method of Payment (Check Number or ACH)	Payment Amount
12/29/2017	17322	30.00

Account Name: City of Center Sewer Fund
Account Number: [REDACTED]
Routing Number: [REDACTED]

Date of Payment	Method of Payment (Check Number or ACH)	Payment Amount
6/16/2016	2762	2,933.99
7/19/2016	2767	5,726.00
7/19/2016	2768	3,621.00



Appendix C
 City of Center
 State Auditor Subpoenas - Wells Fargo Bank, N.A.



OFFICE OF MISSOURI STATE AUDITOR

Exhibit A - Page 2 of 2

Accounts to which these payments were applied may belong to any of the following account holders:

<p>Name: [REDACTED] Date of Birth: [REDACTED] Last four digits of social security number: [REDACTED] Wells Fargo Bank account number(s): Unknown</p> <p>Account holder may be listed at any of the following addresses:</p> <p>[REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED]</p>	<p>Name: [REDACTED] [REDACTED] [REDACTED] Date of Birth: [REDACTED] Last four digits of social security number: [REDACTED] Wells Fargo Bank account number(s): Unknown</p> <p>Account holder may be listed at any of the following addresses:</p> <p>[REDACTED] [REDACTED]</p>
<p>Name: [REDACTED] [REDACTED] Date of Birth: [REDACTED] Last four digits of social security number: [REDACTED] Wells Fargo Bank account number(s): Unknown</p> <p>Account holder may be listed at any of the following addresses:</p> <p>[REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED]</p>	<p>Name: [REDACTED] [REDACTED] Date of Birth: [REDACTED] Last four digits of social security number: [REDACTED] Wells Fargo Bank account number(s): Unknown</p> <p>Account holder may be listed at any of the following addresses:</p> <p>[REDACTED] [REDACTED]</p>
<p>Name: [REDACTED] [REDACTED] Date of Birth: [REDACTED] Last four digits of social security number: [REDACTED] Wells Fargo Bank account number(s): Unknown</p> <p>Account holder may be listed at any of the following addresses:</p> <p>[REDACTED] [REDACTED] [REDACTED] [REDACTED]</p>	



Appendix C
City of Center
State Auditor Subpoenas - Wells Fargo Bank, N.A.



OFFICE OF MISSOURI STATE AUDITOR

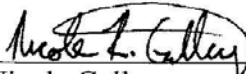
SUBPOENA

To: **Wells Fargo Bank, N.A.**
221 Bolivar
Jefferson City, MO 65101

YOU ARE COMMANDED AND REQUIRED to appear personally before the State Auditor or her representative(s) at the Truman State Office Building, 301 West High Street, Room 880, Jefferson City, Missouri 65101, at 10:00 a.m. on March 16, 2020, for purposes of providing testimony and producing for examination, copying, and interrogation the records and documents described in Exhibit A attached to this Subpoena.

In lieu of appearance, you may ship the records responsive to this subpoena to the Missouri State Auditor to the attention of Kelly Davis or Joel Anderson at 301 W. High St., Room 880, Jefferson City, MO 65101.

ISSUED this 2nd day of March, 2020, pursuant to Section 29.235.4(1) of the Revised Statutes of Missouri.



Nicole Galloway
Missouri State Auditor

I served the foregoing subpoena by personal delivery on this 3rd day of March, 2020.





Appendix C
City of Center
State Auditor Subpoenas - Wells Fargo Bank, N.A.



OFFICE OF MISSOURI STATE AUDITOR

Exhibit A - Page 1 of 2

Please produce all records of the four payments listed below payable to any Wells Fargo Bank account. Please ensure that such records show the name or names of the account holders to whose accounts each such payment was applied:

Account Name: City of Center General Fund
Account Number: [REDACTED]
Routing Number: [REDACTED]

Date of Payment	Method of Payment (Check Number or ACH)	Payment Amount
12/29/2017	17322	30.00

Account Name: City of Center Sewer Fund
Account Number: [REDACTED]
Routing Number: [REDACTED]

Date of Payment	Method of Payment (Check Number or ACH)	Payment Amount
6/16/2016	2762	2,933.99
7/19/2016	2767	5,726.00
7/19/2016	2768	3,621.00



Appendix C
City of Center
State Auditor Subpoenas - Wells Fargo Bank, N.A.



OFFICE OF MISSOURI STATE AUDITOR

Exhibit A - Page 2 of 2

Accounts to which these payments were applied may belong to the following account holder:

Name(s): [REDACTED]

Date of Birth: [REDACTED]

Last four digits of social security number: [REDACTED]

Wells Fargo Bank account number(s): Unknown

Account holder may be listed at any of the following addresses:

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]



The policy number, addresses,
and name of representative
from Family Heritage Insurance
have been redacted.



NICOLE GALLOWAY, CPA
Missouri State Auditor

Family Heritage Insurance:

Per discussion with [REDACTED] in the customer service department, we are requesting documentation of any policies insuring Tracey Ray (possibly Tracey Carman and/or Tracey Sharp as well) or any policies paid with City of Center monies regardless of the named insured. For example, we are aware policy # [REDACTED] was paid using City of Center funds. If there are any others, we would like documentation supporting the payments received (such as bill statement and a declaration of insurance) so we can verify the nature of the policy being paid on. Thank you for your assistance with getting this documentation to us. See below for the names and addresses which may assist you in finding policies.

Please produce all records of transactions for policies linked to:

Name(s): Tracey Marie Sharp (Maiden
Tracey Marie Carman
Tracey Marie Ray

Account holder may be listed at any of the following addresses:

[REDACTED]

[REDACTED]

[REDACTED]

This request for records includes all matters that exist in paper ("hard copy") or electronic form (including but not limited to records and data maintained on computer, tablets, smart phones, external electronic storage drives, thumbnail drives, remote servers or back up tapes).

If any other information is needed please inquire so we may provide it. Thank you.

[REDACTED]

Missouri State Auditor's Office



The date of birth, social security number, addresses, account numbers have been redacted.



OFFICE OF MISSOURI STATE AUDITOR

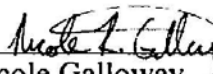
SUBPOENA

**To: CITI Bank NA and CITI Mortgage
c/o Legal Services
Mail Code 1251
Sioux Falls, SD 57117**

YOU ARE COMMANDED AND REQUIRED to appear personally before the State Auditor or her representative(s) at the Truman State Office Building, 301 West High Street, Room 880, Jefferson City, Missouri 65101, at 10:00 a.m. on April 15, 2020, for purposes of providing testimony and producing for examination, copying, and interrogation the records and documents described in Exhibit A attached to this Subpoena.

In lieu of appearance, you may ship the records responsive to this subpoena to the Missouri State Auditor to the attention of Kelly Davis or Joel Anderson at 301 W. High St., Room 880, Jefferson City, MO 65101, or by electronic mail to Kelly.Davis@auditor.mo.gov or Joel.Anderson@auditor.mo.gov.

ISSUED this 19th day of March, 2020, pursuant to Section 29.235.4(1) of the Revised Statutes of Missouri.



Nicole Galloway
Missouri State Auditor



Appendix E
 City of Center
 State Auditor Subpoena - CITI Bank NA and CITI Mortgage



OFFICE OF MISSOURI STATE AUDITOR

Exhibit A

Please produce all records of transactions applicable to the payment below for the following account with CITI Bank NA and CITI Mortgage, individual or joint:

Name(s): Tracey Marie Sharp (Maiden)
 Tracey Marie Carman
 Tracey Marie Ray

Date of Birth: [REDACTED]

Last four digits of social security number: [REDACTED]

Account number: [REDACTED]

Account holder may be listed at any of the following addresses:

- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]

Payment to account number [REDACTED] made by city check from the following City of Center account:

Account Name: City of Center General Fund
 Account Number: [REDACTED]
 Routing Number: [REDACTED]

Date of Payment	Method of Payment (Check Number or ACH)	Payment Amount
5/2/2016	16729	1,000.00

This request for records includes all matters that exist in paper ("hard copy") or electronic form (including but not limited to records and data maintained on computer, tablets, smart phones, external electronic storage drives, thumbnail drives, remote servers or back up tapes). All information requested in the items above are subject to inspection, review and copying by the state auditor. Section 29.235.4(1), RSMo.



The date of birth, social security number, addresses, and account numbers have been redacted.



OFFICE OF MISSOURI STATE AUDITOR

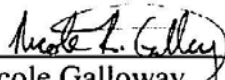
SUBPOENA

**To: Globe Life and Accident Insurance Company
Attn: Legal
PO Box 2440
McKinney, TX 75070**

YOU ARE COMMANDED AND REQUIRED to appear personally before the State Auditor or her representative(s) at the Truman State Office Building, 301 West High Street, Room 880, Jefferson City, Missouri 65101, at 10:00 a.m. on April 15, 2020, for purposes of providing testimony and producing for examination, copying, and interrogation the records and documents described in Exhibit A attached to this Subpoena.

In lieu of appearance, you may ship the records responsive to this subpoena to the Missouri State Auditor to the attention of Kelly Davis or Joel Anderson at 301 W. High St., Room 880, Jefferson City, MO 65101, or by electronic mail to Kelly.Davis@auditor.mo.gov or Joel.Anderson@auditor.mo.gov.

ISSUED this 19th day of March, 2020, pursuant to Section 29.235.4(1) of the Revised Statutes of Missouri.



Nicole Galloway
Missouri State Auditor



Appendix F
 City of Center
 State Auditor Subpoena - Globe Life and Accident Insurance Company



OFFICE OF MISSOURI STATE AUDITOR

EXHIBIT A

Please produce all records of transactions related to the payments set forth in the charts below, between and including the dates of October 1, 2015, and October 31, 2017, for the following account(s) with Globe Life and Accident Insurance Company, individual or joint:

Name(s): Tracey Marie Sharp (Maiden)
 Tracey Marie Carman
 Tracey Marie Ray

Date of Birth: [REDACTED]

Last four digits of social security number: [REDACTED]

Account number(s): unknown

Account holder may be listed at any of the following addresses:

[REDACTED]
 [REDACTED]
 [REDACTED]
 [REDACTED]
 [REDACTED]
 [REDACTED]

Payments to this account were made by city check from the following City of Center account:

Account Name: City of Center General Fund
 Account Number: [REDACTED]
 Routing Number: [REDACTED]

Date of Payment	Method of Payment (Check Number or ACH)	Payment Amount
10/9/2015	16539	304.55
11/16/2016	16911	304.55
2/10/2017	16998	82.23
10/11/2017	17249	304.55

This request for records includes all matters that exist in paper ("hard copy") or electronic form (including but not limited to records and data maintained on computer, tablets, smart phones, external electronic storage drives, thumbnail drives, remote servers or back up tapes). All information requested in the items above are subject to inspection, review and copying by the state auditor. Section 29.235.4(1), RSMo.



The date of birth, social security number, addresses, and account numbers have been redacted.



OFFICE OF MISSOURI STATE AUDITOR

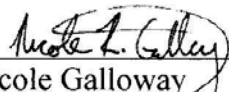
SUBPOENA

To: Nationwide
1 Nationwide Plaza
Attn: Service of Process Team
Mail Code 1-30-405
Columbus, OH 43215

YOU ARE COMMANDED AND REQUIRED to appear personally before the State Auditor or her representative(s) at the Truman State Office Building, 301 West High Street, Room 880, Jefferson City, Missouri 65101, at 10:00 a.m. on April 15, 2020, for purposes of providing testimony and producing for examination, copying, and interrogation the records and documents described in Exhibit A attached to this Subpoena.

In lieu of appearance, you may ship the records responsive to this subpoena to the Missouri State Auditor to the attention of Kelly Davis or Joel Anderson at 301 W. High St., Room 880, Jefferson City, MO 65101, or by electronic mail to Kelly.Davis@auditor.mo.gov or Joel.Anderson@auditor.mo.gov.

ISSUED this 19th day of March, 2020, pursuant to Section 29.235.4(1) of the Revised Statutes of Missouri.



Nicole Galloway
Missouri State Auditor



Appendix G
 City of Center
 State Auditor Subpoena - Nationwide



OFFICE OF MISSOURI STATE AUDITOR

EXHIBIT A

Please produce all records of transactions related to the payment set forth in the chart below, between and including the dates of September 1, 2016, and November 30, 2016, for the following account(s) with Nationwide, individual or joint:

Name(s): Tracey Marie Sharp (Maiden)
 Tracey Marie Carman
 Tracey Marie Ray

Date of Birth: [REDACTED]

Last four digits of social security number: [REDACTED]

Account number(s): unknown for all; possible policy number of [REDACTED]

Account holder may be listed at any of the following addresses:

[REDACTED]
 [REDACTED]
 [REDACTED]
 [REDACTED]
 [REDACTED]
 [REDACTED]

Payments to this account were made by city check from the following City of Center account:

Account Name: City of Center Fire Fund
Account Number: [REDACTED]
Routing Number: [REDACTED]

Date of Payment	Method of Payment (Check Number or ACH)	Payment Amount
10/31/2016	808	303.72

This request for records includes all matters that exist in paper ("hard copy") or electronic form (including but not limited to records and data maintained on computer, tablets, smart phones, external electronic storage drives, thumbnail drives, remote servers or back up tapes). All information requested in the items above are subject to inspection, review and copying by the state auditor. Section 29.235.4(1), RSMo.



The date of birth, social security number, addresses, and account numbers have been redacted.



OFFICE OF MISSOURI STATE AUDITOR

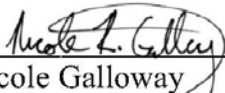
SUBPOENA

**To: Kohl's Department Stores
Att. Legal
N56 W17000 Ridgewood Drive
Menomonee Falls, WI 53051**

YOU ARE COMMANDED AND REQUIRED to appear personally before the State Auditor or her representative(s) at the Truman State Office Building, 301 West High Street, Room 880, Jefferson City, Missouri 65101, at 10:00 a.m. on April 15, 2020, for purposes of providing testimony and producing for examination, copying, and interrogation the records and documents described in Exhibit A attached to this Subpoena.

In lieu of appearance, you may ship the records responsive to this subpoena to the Missouri State Auditor to the attention of Kelly Davis or Joel Anderson at 301 W. High St., Room 880, Jefferson City, MO 65101, or by electronic mail to Kelly.Davis@auditor.mo.gov or Joel.Anderson@auditor.mo.gov.

ISSUED this 19th day of March, 2020, pursuant to Section 29.235.4(1) of the Revised Statutes of Missouri.



Nicole Galloway
Missouri State Auditor



Appendix H
 City of Center
 State Auditor Subpoena - Kohl's Department Store



OFFICE OF MISSOURI STATE AUDITOR

Exhibit A - Page 1 of 2

Please produce all records of transactions related to the payments set forth in the charts below, between and including the dates of April 1, 2016, and January 31, 2019, for the following account(s) with Kohl's, individual or joint:

Name(s): Tracey Marie Sharp (Maiden)
 Tracey Marie Carman
 Tracey Marie Ray

Date of Birth: [REDACTED]

Last four digits of social security number: [REDACTED]

Account number(s): unknown for all; possible account number [REDACTED]

Account holder may be listed at any of the following addresses:

[REDACTED]
 [REDACTED]
 [REDACTED]
 [REDACTED]
 [REDACTED]
 [REDACTED]

Payments to this account were made by city check from the following City of Center accounts:

Account Name:	City of Center General Fund		
Account Number:	[REDACTED]		
Routing Number:	[REDACTED]		
	Date of Payment	Method of Payment (Check Number or ACH)	Payment Amount
	5/2/2016	16731	864.87
	10/4/2016	16876	392.16



Appendix H
 City of Center
 State Auditor Subpoena - Kohl's Department Store



OFFICE OF MISSOURI STATE AUDITOR

Exhibit A - Page 2 of 2

Account Name:	City of Center Sewer Fund		
Account Number:	██████		
Routing Number:	██████		
	Date of Payment	Method of Payment (Check Number or ACH)	Payment Amount
	12/13/2016	2808	477.91
	12/31/2018	2945	1,697.52

Account Name:	City of Center Park Fund		
Account Number:	██████		
Routing Number:	██████		
	Date of Payment	Method of Payment (Check Number or ACH)	Payment Amount
	9/24/2018	1368	196.97

This request for records includes all matters that exist in paper ("hard copy") or electronic form (including but not limited to records and data maintained on computer, tablets, smart phones, external electronic storage drives, thumbnail drives, remote servers or back up tapes). All information requested in the items above are subject to inspection, review and copying by the state auditor. Section 29.235.4(1), RSMo.



Appendix I
City of Center
State Auditor Subpoena - LaCrosse Lumber Company

The name of the contact person
and address have been redacted.



OFFICE OF MISSOURI STATE AUDITOR

SUBPOENA

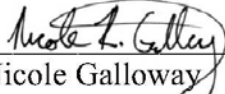
To: LaCrosse Lumber Company

**██████████
103 S. Madison
P.O. Box 70
Perry, MO 63462**

YOU ARE COMMANDED AND REQUIRED to appear personally before the State Auditor or her representative(s) Kelly Davis, Todd Schuler, or Joel Anderson at the Truman State Office Building, 301 West High Street Room 880, Jefferson City, Missouri 65101, at 10:00 a.m. on Wednesday, July 22, 2020, for purposes of providing testimony and producing for examination, copying, and interrogation the records and documents described in Exhibit A attached to this Subpoena.

*In lieu of appearance, you may ship the records responsive to this subpoena to the Missouri State Auditor to the attention of Todd Schuler by electronic mail at **Todd.Schuler@auditor.mo.gov**.*

ISSUED this 10th day of July, 2020, pursuant to Section 29.235.4(1) of the Revised Statutes of Missouri.



Nicole Galloway
Missouri State Auditor



Appendix I
City of Center
State Auditor Subpoena - LaCrosse Lumber Company



OFFICE OF MISSOURI STATE AUDITOR

Exhibit A

Please produce all records of transactions applicable to the payment for the following account with LaCrosse Lumber Company:

Name: Carman Timber and Construction Company

Account number: Unknown

Account holder may be listed at the following address:



Payment to this account was made by city check from the following City of Center account:

Account Name: City of Center Park Fund
Check Number: 1291
Amount: \$4,132.07
Date of Payment: August 6, 2015

This request for records includes all matters that exist in paper ("hard copy") or electronic form (including but not limited to records and data maintained on computer, tablets, smart phones, external electronic storage drives, thumbnail drives, remote servers or back up tapes). All information requested in the items above are subject to inspection, review and copying by the state auditor. Section 29.235.4(1), RSMo.

Appendix J

City of Center
Improper Disbursements to Capital One Bank, N.A.

Payment Date (1)	Check Number Or ACH	City Bank Account	Accounting System Description and Memo, if Available (2)	Accounting System Expense Category if Available (2)	Amount
02/29/2016	2740	Sewer	Capital One Card Se	Sewer: Equipment	\$ 1,094.89
02/29/2016	16664	General	Capital One Card Se	City Maintenance	1,978.54
04/27/2016	ACH	Sewer	Capital One Card Se	Sewer: Equipment	11,000.00
06/14/2016	2761	Sewer	Capital One Card Se	Sewer: Equipment	2,803.15
07/18/2016	2769	Sewer	Capital One Card Se	Sewer: Equipment	2,908.00
08/29/2016	2782	Sewer	Capital One Card Se	Sewer: Equipment	4,996.27
09/01/2016	ACH	Sewer	Capital One Card Se	Sewer: Equipment	4,971.78
09/26/2016	2789	Sewer	Capital One Card Se	Sewer: Equipment	5,962.18
10/18/2016	2797	Sewer	Capital One Card Se	Sewer: Equipment	3,153.80
11/30/2016	ACH	Sewer	Chase Card Services (3)	Sewer Maintenance	11,835.57
12/27/2016	ACH	Sewer	Chase Card Services (3)	Sewer Maintenance	13,603.17
Total 2016					<u>64,307.35</u>
02/16/2017	2134	Street			2,973.61
05/03/2017	ACH	Sewer			8,924.30
07/05/2017	ACH	Sewer			5,486.88
08/29/2017	ACH	Sewer			5,245.68
11/22/2017	ACH	Sewer	(4)	(4)	14,000.00
Total 2017					<u>36,630.47</u>
05/16/2018	ACH	Sewer			12,272.95
07/10/2018	ACH	Sewer			4,882.32
07/26/2018	ACH	Sewer			4,862.53
08/16/2018	ACH	Sewer			6,091.93
09/27/2018	ACH	Sewer			6,048.28
11/02/2018	ACH (5)	Sewer	(4)	(4)	6,393.14
11/28/2018	ACH (5)	Sewer	(4)	(4)	8,952.75
12/28/2018	ACH (5)	Sewer	(4)	(4)	6,206.76
Total 2018					<u>55,710.66</u>
02/01/2019	ACH (5)	Sewer	(4)	(4)	7,294.18
03/01/2019	ACH (5)	Sewer			5,012.42
03/12/2019	ACH (5)	Sewer			9,014.66
04/30/2019	ACH	Sewer			8,538.79
05/24/2019	ACH	Sewer			6,712.24
07/02/2019	ACH	Sewer			13,121.76
Total 2019					<u>49,694.05</u>
Total \$					<u><u>206,342.53</u></u>

(1) Payment date is the date the disbursement cleared the city bank account.

(2) Accounting system information was only available for 21 months of our audit period (all months of 2016; November and December 2017; January, March, April, November, and December 2018; and January and February 2019). The 2016 information is from an accounting system register report. The remaining information is from accounting system transaction reports. Description is shown as shown on system reports.

(3) While the accounting system description indicates Chase Card Services, the payments were made on the GM card issued by Capital One.

(4) The disbursements were not included on available accounting system reports.

(5) The disbursements were not included on the available lists of bills provided to the Board.

Appendix K

City of Center
 Personal Credit Card Charges - Capital One Bank, N.A.

Vendor or Purpose	Credit Card Transactions					
	Year Ended December 31,			January 1 to	Total	Total Number of Transactions
	2016	2017	2018	July 3, 2019		
Amazon	\$ 9,685.60	8,854.67	10,299.74	4,106.02	32,946.03	666
Hobby Lobby	1,299.72	1,107.46	1,068.09	361.22	3,836.49	32
Walmart	7,451.89	7,639.91	6,528.38	3,272.37	24,892.55	133
PayPal	796.76	989.29	4,302.40	2,850.41	8,938.86	86
Wright Furniture	1,211.33	2,077.92	0.00	874.08	4,163.33	5
Sam's Club	379.90	39.06	2,452.56	272.49	3,144.01	16
Dollar General	123.62	1,108.10	476.68	666.58	2,374.98	36
Target	575.17	214.27	719.27	743.52	2,252.23	13
Etsy.com	398.97	492.45	221.88	809.03	1,922.33	47
Goose Creek Candle	0.00	0.00	1,321.13	232.60	1,553.73	12
Kohl's Department Store	0.00	0.00	0.00	1,015.44	1,015.44	5
Zappos	105.00	501.57	253.87	125.35	985.79	17
Yeti Coolers	448.22	0.00	0.00	0.00	448.22	2
Clothing and accessories	5,639.80	3,072.86	6,175.49	5,500.97	20,389.12	181
Automobile care and parts	2,850.60	2,144.86	736.49	212.50	5,944.45	46
Sporting goods	1,783.13	133.44	1,332.79	848.57	4,097.93	43
Gift shops	520.55	158.96	14.18	210.76	904.45	11
Florist	161.64	103.19	266.07	49.29	580.19	12
Pet care	0.00	0.00	0.00	1,400.77	1,400.77	8
Other shopping (2)	5,370.85	5,309.91	6,361.03	4,457.73	21,499.52	289
Subtotal shopping	<u>38,802.75</u>	<u>33,947.92</u>	<u>42,530.05</u>	<u>28,009.70</u>	<u>143,290.42</u>	<u>1,660</u>
Lowe's	3,331.00	3,002.88	5,889.12	2,846.32	15,069.32	62
Michael's Carpet Outlet	1,443.71	0.00	0.00	0.00	1,443.71	1
Farm & Home Supply	352.08	0.00	570.95	278.93	1,201.96	8
Sherwin-Williams	41.52	147.20	310.61	47.51	546.84	7
Other construction and home improvement (3)	<u>1,480.03</u>	<u>1,371.22</u>	<u>1,184.39</u>	<u>740.70</u>	<u>4,776.34</u>	<u>35</u>

Appendix K

City of Center
 Personal Credit Card Charges - Capital One Bank, N.A.

Vendor or Purpose	Credit Card Transactions					Total Number of Transactions
	Year Ended December 31,			January 1 to	Total	
	2016	2017	2018	July 3, 2019		
Subtotal construction and home improvement	6,648.34	4,521.30	7,955.07	3,913.46	23,038.17	113
Explore America	0.00	0.00	190.00	2,930.74	3,120.74	7
HomeAway	0.00	1,627.97	0.00	0.00	1,627.97	8
Ticketmaster	899.40	296.36	251.28	0.00	1,447.04	5
Drury Inn	0.00	265.40	322.26	686.70	1,274.36	5
Harpole's Heartland Lodge	0.00	0.00	0.00	1,043.14	1,043.14	1
Walden Brothers Transportation	504.51	0.00	295.00	0.00	799.51	4
Harbor Shores on Lake Geneva	0.00	0.00	793.40	0.00	793.40	2
Enterprise Rent-A-Car	675.21	0.00	0.00	0.00	675.21	1
Budget Rent-A-Car	0.00	636.40	0.00	0.00	636.40	2
Radisson Hotel Branson	0.00	0.00	429.24	0.00	429.24	1
MGM Grand Las Vegas	407.88	0.00	0.00	0.00	407.88	2
Country Thunder Music Festival	0.00	0.00	378.58	0.00	378.58	1
Quality Inn Estes Park	0.00	304.01	0.00	0.00	304.01	1
Residence Inn Breckenridge	0.00	302.03	0.00	0.00	302.03	1
Avis Rent-A-Car	281.96	0.00	0.00	0.00	281.96	1
Ameristar Casino Resort & Spa	34.00	219.95	0.00	0.00	253.95	2
Other entertainment, lodging, and travel (4)	2,629.58	823.01	2,521.30	2,131.26	8,105.15	151
Subtotal entertainment, lodging, and travel	5,432.54	4,475.13	5,181.06	6,791.84	21,880.57	195
Hair Company	488.63	646.56	734.73	774.66	2,644.58	26
Walgreen's	167.07	0.00	665.06	350.94	1,183.07	17
International Eye Care	0.00	690.40	0.00	0.00	690.40	1
Synergi MedSpa	600.00	0.00	0.00	0.00	600.00	2
Lens Crafters	0.00	0.00	585.53	0.00	585.53	1
Hannibal Regional Hospital Business Office	0.00	530.68	0.00	0.00	530.68	1

Appendix K

City of Center

Personal Credit Card Charges - Capital One Bank, N.A.

Vendor or Purpose	Credit Card Transactions					
	Year Ended December 31,			January 1 to	Total	Total Number of Transactions
	2016	2017	2018	July 3, 2019		
Other medical/health	189.63	91.60	93.34	643.45	1,018.02	9
Other personal care	0.00	254.09	60.54	275.00	589.63	10
Subtotal medical/health and personal care	1,445.33	2,213.33	2,139.20	2,044.05	7,841.91	67
Restaurants	3,494.71	2,225.72	1,888.97	2,011.82	9,621.22	348
Professional services	1,847.56	234.57	0.00	0.00	2,082.13	11
Grocery stores	648.45	585.93	339.15	213.99	1,787.52	23
Gas and convenience stores	610.37	300.00	360.97	215.63	1,486.97	54
Utilities	0.00	0.00	1,380.00	0.00	1,380.00	1
Personal property taxes (5)	878.74	0.00	0.00	0.00	878.74	2
City of Hannibal - Traffic Ticket	0.00	0.00	0.00	139.95	139.95	1
Globe Life and Accident Insurance Company	0.00	0.00	388.85	0.00	388.85	1
Television subscriptions	95.88	113.88	82.16	0.00	291.92	27
Interest	181.90	277.76	943.32	466.90	1,869.88	29
ATM withdrawal/cash advance	1,087.50	0.00	0.00	566.00	1,653.50	5
Cash Advance Fee	45.00	0.00	0.00	30.00	75.00	5

Appendix K

City of Center
 Personal Credit Card Charges - Capital One Bank, N.A.

Vendor or Purpose	Credit Card Transactions					Total Number of Transactions
	Year Ended December 31,			January 1 to	Total	
	2016	2017	2018	July 3, 2019		
Late Charges	50.00	123.00	103.00	152.00	428.00	13
Miscellaneous (6)	212.78	404.15	173.84	72.30	863.07	24
Total (1)	\$ 61,481.85	49,422.69	63,465.64	44,627.64	218,997.82	2,579

- (1) Totals do not agree to the totals on Appendix J because that appendix shows credit card billing payments while this Appendix shows credit card charges. In addition, payments totaling \$15,722 were made on this account from non-city funds.
- (2) Vendors in this category include, but were not limited to,: Ancestry.com, Bath & Body Works, Bed Bath & Beyond, Big Lots, Coach, Gordmans, Hallmark, Packer's Pro Shop, Party City, QVC, RTIC Coolers, Scentsy, Scholastic, Inc., Shopko, The Container Store, The Pampered Chef, Thirty-One Gifts, US Cellular, and Wayfair.com.
- (3) Vendors in this category include, but were not limited to, Ace Hardware, At Home Store, Hannibal Homestore, Home Depot, LaCrosse Lumber Company, Orscheln Farm & Home, Quincy Farm Supply, and Riback Supply.
- (4) Vendors in this category include, but were not limited to, American Airlines, Best of Boston, Big Cedar Lodge, Cub Creek Science and Animal Camp, Dogwood Canyon, Gulf Adventure, Hard Rock Las Vegas, Lodge of Four Seasons Lake Ozark, Microsoft Xbox Live, Rocky Mountain Gateway Estes Park, Sirius XM Radio, Southwest Airlines, and The Nomadik Company.
- (5) Payment was for the former City Clerk's 2016 personal property taxes and credit card processing fee.
- (6) Vendors in this category include, but were not limited to, Catholic Company, Deters Sign Company, Dollar Shave Club, Facebook, and UPS.

Appendix L

City of Center
 Improper Disbursements to Anthem Blue Cross and Blue Shield

Payment Date (1)	Check Number Or ACH	City Bank Account	Accounting System Description and Memo, if Available (3)	Accounting System Expense Category, if Available (3)	Amount
12/31/2015	ACH	General			\$ 411.71
				Total 2015	411.71
03/07/2016	16671	General	Anthem BCBS Indiv	Employee Benefit: Health	411.71
05/02/2016	16730	General	Anthem Blue Cross	Employee Benefit: Health	411.71
05/24/2016	16767	General	Anthem Blue Cross	Employee Benefit: Health	411.71
07/06/2016	16811	General	Anthem Blue Cross	Employee Benefit: Health	411.71
08/02/2016	16825	General	Anthem Blue Cross B	Employee Benefit: Health	1,240.17
09/07/2016	2089	Street	Anthem Blue Cross	Employee Benefit: Health	1,240.17
09/27/2016	2792	Sewer	Anthem Blue Cross	Employee Benefit: Health	1,240.17
10/18/2016	2802	Sewer	Anthem Blue Cross	Employee Benefit: Health	1,240.17
12/06/2016	16929	General	Anthem Blue Cross	Employee Benefit: Health	1,240.17
				Total 2016	7,847.69
01/03/2017	16950	General	Anthem Blue Cross	Employee Benefit: Health	1,240.17
01/25/2017	16977	General			1,783.33
02/28/2017	17011	General			1,511.75
04/05/2017	17045	General			1,511.75
04/28/2017	17073	General			1,511.75
05/23/2017	17100	General			1,511.75
07/05/2017	17141	General			1,511.75
08/02/2017	17175	General			1,763.31
09/06/2017	17208	General			1,763.31
10/02/2017	17240	General			3,529.12
10/17/2017	17257	General			2.50
12/12/2017	17310	General	(4)	(4)	1,765.81
				Total 2017	19,406.30
01/04/2018	17331	General	(4)	(4)	1,765.81
02/05/2018	17362	General			1,765.81
03/07/2018	17399	(6) General	(4)	(4)	1,765.81
04/06/2018	17423	(6) General	(4)	(4)	1,765.81
05/01/2018	17454	General			1,765.81
05/30/2018	17492	General			1,765.81
07/06/2018	17529	General			1,765.81
07/24/2018	17555	General			1,765.81
08/22/2018	17583	General			2,272.69
10/03/2018	17622	General			2,019.25
10/04/2018	Refund	(5) General			(286.36)
10/04/2018	Refund	(5) General			(239.00)
11/06/2018	17641	(6) General	(4)	(4)	2,019.25
12/05/2018	17696	(6) General	(4)	(4)	2,019.25
				Total 2018	21,931.56

Appendix L

City of Center
 Improper Disbursements to Anthem Blue Cross and Blue Shield

Payment Date (1)	Check Number Or ACH	City Bank Account	Accounting System Description and Memo, if Available (3)	Accounting System Expense Category, if Available (3)	Amount
01/15/2019	2954	(6) Sewer	(4)	(4)	2,019.25
01/30/2019	17737	(6) General	(4)	(4)	2,019.25
04/16/2019	17797	General			6,057.75
05/06/2019	17813	General			150.00
06/25/2019	17867	General			2,169.25
Total 2019 (2)					<u>12,415.50</u>
Total					<u>\$ 62,012.76</u>

- (1) Payment date is the date the transaction cleared the city bank account.
- (2) The Board of Aldermen approved a \$1,869.25 disbursement in July 2019 to Anthem Blue Cross and Blue Shield. This disbursement was approved for payment at the advice of the city's legal counsel, so it is not included here as an improper payment.
- (3) Accounting system information was only available for 21 months of our audit period (all months of 2016; November and December 2017; January, March, April, November, and December 2018; and January and February 2019). The 2016 information is from an accounting system register report. The remaining information is from accounting system transaction reports. Description is shown as shown on system reports.
- (4) The disbursements were not included on available accounting system reports.
- (5) Deposit documentation included two checks from Anthem. The total amount of the checks is deducted from the improper payments because the checks were deposited into the city General Fund account.
- (6) The disbursements were not included on the available lists of bills provided to the Board.

Appendix M

City of Center
Other Improper Disbursements

Payment Date (1)	Vendor	Check Number	City Bank Account	Accounting System Description and Memo, if Available (6)	Accounting System Expense Category, if Available (6)	Amount
01/16/2015	Aflac, Inc.	16214	General			\$ 616.20
03/09/2016	Aflac, Inc.	16675	General	AFLAC	Insurance	154.05
04/25/2016	Aflac, Inc.	16723	General	AFLAC	Insurance	308.10
10/19/2016	Aflac, Inc.	2798	Sewer	AFLAC	Insurance	616.20
10/13/2017	Aflac, Inc.	17248	General			616.20
					Subtotal	<u>2,310.75</u>
05/05/2016 (2)	Audrain County Collector	16732	General	Audrain County Col	Refund	1,341.80
					Subtotal	<u>1,341.80</u>
05/02/2016 (7)	CitiMortgage Inc.	16729	General	Citimortgage	Refund	1,000.00
					Subtotal	<u>1,000.00</u>
04/08/2015	Family Heritage Life Insurance Company	16297	General			552.00
09/16/2015	Family Heritage Life Insurance Company	16518	General			552.00
03/22/2016	Family Heritage Life Insurance Company	16690	General	Family Heritage Life	Employee Benefit	552.00
10/18/2016	Family Heritage Life Insurance Company	2799	Sewer	Family Heritage Life	Employee Benefit	552.00
					Subtotal	<u>2,208.00</u>
11/06/2015	Fiddlestiks	16564	General			50.00
					Subtotal	<u>50.00</u>
10/09/2015	Globe Life and Accident Insurance Company	16539	General			304.55
11/16/2016	Globe Life and Accident Insurance Company	16911	General	Globe Life & Acciden	Insurance	304.55
02/10/2017	Globe Life and Accident Insurance Company	16998	General			82.23
10/11/2017	Globe Life and Accident Insurance Company	17249	General			304.55
					Subtotal	<u>995.88</u>
06/01/2016	Hobby Lobby	16773	(3) General	Hobby Lobby	Police Department	317.74
07/22/2016	Hobby Lobby	2080	Street	Hobby Lobby	Police Department	360.48
					Subtotal	<u>678.22</u>
05/02/2016 (4)	Kohl's Department Store	16731	General	Kohls	Park Day Expense	864.87
10/04/2016 (4)	Kohl's Department Store	16876	General	Kohl Wholesale (8)	Park Day Expense	392.16
12/13/2016 (4)	Kohl's Department Store	2808	Sewer	Kohls	Park Day Expense	477.91
09/24/2018 (4)	Kohl's Department Store	1368	Park			196.97
12/31/2018 (4)	Kohl's Department Store (11)	2945	Sewer	(9)	(9)	1,697.52
					Subtotal	<u>3,629.43</u>

Appendix M

City of Center
Other Improper Disbursements

Payment Date (1)	Vendor	Check Number	City Bank Account	Accounting System Description and Memo, if Available (6)	Accounting System Expense Category, if Available (6)	Amount
05/29/2015	Marie Lewandowski	16376	General			250.00
08/04/2015	Marie Lewandowski	16469	General			200.00
09/23/2015	Marie Lewandowski	2047	Street			50.00
10/01/2015	Marie Lewandowski	16521	General			200.00
07/19/2016	Marie Lewandowski	1314	Park	Marie Lewandowski, Wristbands	Park Day Expense	27.98
07/19/2016	Marie Lewandowski	2771	Sewer	Marie Lewandowski	Park: Maintenance	400.00
10/20/2016	Marie Lewandowski	2109	Street	Marie Lewandowski	Park: Maintenance	100.00
03/22/2017	Marie Lewandowski	16989	General			28.45
					Subtotal	<u>1,256.43</u>
04/23/2015 (5)	Marion County Collector	16314	General			198.47
					Subtotal	<u>198.47</u>
08/02/2016	Prudential Financial, Inc.	16839	General	Prudential	Employee Benefit	145.58
10/25/2016	Prudential Financial, Inc.	16899	General	Prudential	Employee Benefit	582.32
02/07/2017	Prudential Financial, Inc.	16997	General			145.58
08/08/2017	Prudential Financial, Inc.	17179	General			291.16
					Subtotal	<u>1,164.64</u>
04/01/2015	Scholastic, Inc.	1265	Park			30.00
11/18/2015	Scholastic, Inc.	1293	Park			12.00
11/18/2015	Scholastic, Inc.	1296	Park			51.00
01/14/2019	Scholastic, Inc.	(11) 17716	General	(9)	(9)	45.00
					Subtotal	<u>138.00</u>
08/27/2018	The Studio	17574	General			124.60
					Subtotal	<u>124.60</u>
06/08/2018	Vander Financial	17500	General			248.40
					Subtotal	<u>248.40</u>
06/16/2016 (10)	Wells Fargo Bank, N.A.	2762	Sewer	Wells Fargo	Refund	2,933.99
07/19/2016 (10)	Wells Fargo Bank, N.A.	2767	Sewer	Wells Fargo Financi	Refund	5,726.00

Appendix M

City of Center
Other Improper Disbursements

Payment Date (1)	Vendor	Check Number	City Bank Account	Accounting System Description and Memo, if Available (6)	Accounting System Expense Category, if Available (6)	Amount
07/19/2016 (10)	Wells Fargo Bank, N.A.	2768	Sewer	Wells Fargo Financi	Refund	3,621.00
12/29/2017 (10)	Wells Fargo Bank, N.A.	17322	General	Wells Fargo Financial Nation	Refund	30.00
					Subtotal	<u>12,310.99</u>
07/16/2015	Yeti Coolers	1275	Park			<u>559.98</u>
					Subtotal	<u>559.98</u>
					Total \$	<u><u>28,215.59</u></u>

- (1) Payment date is the date the disbursement cleared the city bank account.
- (2) Payment was for the former Police Chief's 2014 and 2015 real estate property taxes.
- (3) Check number 16772 was recorded in the accounting system for this transaction.
- (4) The SAO issued a subpoena to Kohl's Department Store (Appendix H); however, the vendor could not provide additional documentation about the disbursements.
- (5) Payment was for an individual's 2014 personal property taxes.
- (6) Accounting system information was only available for 21 months of our audit period (all months of 2016; November and December 2017; January, March, April, November, and December 2018; and January and February 2019).
The 2016 information is from an accounting system register report. The remaining information is from accounting system transaction reports. Description is shown as shown on system reports.
- (7) Documentation provided by CitiMortgage, Inc. upon subpoena indicates the disbursement was for the former City Clerk's personal mortgage.
- (8) While accounting system reports indicate the disbursement was to Kohl Wholesale (a food company), bank documentation indicates the check was written to and negotiated by Kohl's Department Store.
- (9) The disbursements were not included on available accounting system reports.
- (10) The SAO issued a subpoena to Wells Fargo Bank, N.A., (Appendix C); however, the vendor could not provide additional documentation about the disbursements.
- (11) The disbursements were not included on available lists of bills provided to the Board.

Appendix N

City of Center
Other Improper Disbursements Documented on Receipt Slips and Invoices

Date (1)	Check Number	Fund	Vendor	Item Description as Indicated on Related Invoices	Accounting System Description and Memo, if Available (3)	Accounting System Expense Category, if Available (3)	Amount (2)
06/01/2016	16772	General	Ace Hardware	Pavers, mulch, solar flag stakes	Ace Hardware	City Maintenance	\$ 113.41
						Subtotal	113.41
10/08/2015	16536	General	County Market	Pumpkins		Subtotal	33.79
07/21/2015	16458	General	Griffen's Flowers	Flower delivery		Subtotal	49.95
01/04/2018	1348	Park	Griffen's Flowers	Flower delivery	(4)	(4)	33.45
						Subtotal	83.40
05/17/2016	16745	General	Farm & Home Supply	Toolbox, hitch, trimmer line, grass seed	Farm & Home Supply	City Maintenance:	
						Tools	477.45
06/14/2018	1357	Park	Farm & Home Supply	Hardware, sprinkler		Subtotal	128.04
						Subtotal	605.49
10/24/2016	2801	Sewer	Gabriel, Roeder, Smith and Co.	Actuarial valuation of LAGERS pension benefits	Gabriel, Roeder, Smi...LAGERS	Administrative Expense	675.00
						Subtotal	675.00
05/19/2015	16350	General	Hobby Lobby	Sewing materials			65.63
05/27/2015	1269	Park	Hobby Lobby	Fabric			12.91
						Subtotal	78.54
01/14/2015	16208	General	Lowe's	Door handle			44.97
02/18/2015	16244	General	Lowe's	Flooring, glass lamp shades, light fixtures, other home improvement			355.76
05/12/2015	16346	General	Lowe's	Flowers			151.96
08/11/2015	16443	General	Lowe's	Roofing materials	(5)		110.37
08/12/2015	16470	General	Lowe's	Roof vent	(5)		77.50
10/28/2015	16559	General	Lowe's	Door handle			58.97
11/25/2015	16566	General	Lowe's	Outside lighting, door handle; Starbucks, Amazon, and Lowe's Gift Cards.			371.63
12/01/2016	16918	General	Lowe's	Christmas decorations	(7)	Lowe's	Lights for Christmas, City Maintenance
							135.58
01/30/2017	16978	General	Lowe's	Lumber, hardware			130.02
01/31/2017	16979	General	Lowe's	Lumber, moulding			49.08
07/10/2017	17135	General	Lowe's	Ceiling fan light kit			29.98
07/19/2017	17147	General	Lowe's	Texas Roadhouse gift card			43.36
						Subtotal	1,559.18
06/27/2016	2073	Street	Orscheln Farm & Home	Trimmer, oil, and line	(7)	Orscheln Farm & Home, Weedeater	City Maintenance:
						Tools	243.96
						Subtotal	243.96
04/21/2015	2676	Sewer	Sam's Club	Dairy Queen gift cards			42.78

Appendix N

City of Center
Other Improper Disbursements Documented on Receipt Slips and Invoices

Date (1)	Check Number	Fund	Vendor	Item Description as Indicated on Related Invoices	Accounting System Description and Memo, if Available (3)	Accounting System Expense Category, if Available (3)	Amount (2)
08/03/2015	16440	General	Sam's Club	Groceries including crab legs, snow crab, salmon, and a Subway gift card			388.98
10/05/2015	16532	General	Sam's Club	Groceries, batteries, laundry detergent			250.55
03/07/2017	16987	General	Sam's Club	Shop lights on private business account			339.03
						Subtotal	1,021.34
01/27/2015	16224	General	Sears	Power tool			395.99
						Subtotal	395.99
04/22/2016	16717	General	Sherwin-Williams	Paint	Sherwin Williams	City Maintenance:	
						City Shed	296.51
07/27/2016	16832	General	Sherwin-Williams	Duplicate payment for paint	Sherwin Williams	Street Maintenance	26.68
03/15/2017	17025	General	Sherwin-Williams	Paint			34.59
08/30/2017	17198	General	Sherwin-Williams	Paint			45.76
						Subtotal	403.54
04/24/2015	1267	Park	Shopko	Rugs and home décor			224.98
04/24/2015	16290	General	Shopko	Rugs, curtains, candy, Buffalo Wild Wings gift card			219.81
						Subtotal	444.79
06/02/2015	16371	General	Target	Gum, paper goods, lawn supplies			110.74
09/09/2015	16494	General	Target	Candy, cookies, greeting cards			104.09
						Subtotal	214.83
08/01/2017	1337	Park	Texas Roadhouse	Carryout food order - 13 dozen rolls (6)			70.06
						Subtotal	70.06
02/03/2015	16243	General	Walmart	Shower curtain, towels, shower curtain liner, and rod			67.28
03/10/2015	16270	General	Walmart	Vacuum cleaner			178.00
04/24/2015	16327	General	Walmart	Curtain rods			20.64
05/12/2015	16347	General	Walmart	Graduation cards and Walmart gift cards			134.85
05/21/2015	16349	General	Walmart	Walmart gift card			25.00
05/19/2015	16361	General	Walmart	Groceries, kitchen towels, flowers, Walmart gift card			148.93
07/31/2015	1285	Park	Walmart	Shrimp			32.90
07/31/2015	1286	Park	Walmart	Walmart gift card			25.00
08/18/2015	16478	General	Walmart	Subway gift card			25.00
08/26/2015	16495	General	Walmart	Subway gift card			25.00
11/06/2015	1300	Park	Walmart	Groceries, boys clothing, dog food			285.18
11/13/2015	16565	General	Walmart	Party supplies and favors, cookies, candy			114.66

Appendix N

City of Center
Other Improper Disbursements Documented on Receipt Slips and Invoices

<u>Date (1)</u>	<u>Check Number</u>	<u>Fund</u>	<u>Vendor</u>	<u>Item Description as Indicated on Related Invoices</u>	<u>Accounting System Description and Memo, if Available (3)</u>	<u>Accounting System Expense Category, if Available (3)</u>	<u>Amount (2)</u>
11/23/2015	16571	General	Walmart	Groceries; candy; DVD; Subway, Dairy Queen, and Walmart gift cards			305.50
						Subtotal	<u>1,387.94</u>
						Total \$	<u><u>7,331.26</u></u>

- (1) Payment date is the date the disbursement cleared the city bank account.
- (2) The amount represents the total of items questioned per receipt slips or invoices. Only items that appeared to be personal in nature were questioned. Sales tax is included, if paid, as sales tax is an improper disbursement of the city.
- (3) Accounting system information was only available for 21 months of our audit period (all months of 2016; November and December 2017; January, March, April, November, and December 2018; and January and February 2019). The 2016 information is from an accounting system register report. The remaining information is from accounting system transaction reports. Description is shown as shown on system reports.
- (4) The disbursements were not included on available accounting system reports.
- (5) The Board discussed a bid proposal for a new roof for city hall in November 2015, after these purchases, indicating they are not for city purposes.
- (6) The timing and amount of food purchased indicate this purchase may have been for Park Days; however, the Mayor does not recall this food item at the event and does not believe this to be a valid purchase, so it is included as improper.
- (7) City officials indicated the items purchased are not located at the city, indicating they were not for city purposes.

Appendix O

City of Center
Improper Payroll Disbursements

Payroll Disbursements to Former City Clerk Tracey Ray (1)

Check Date(2)	Date Check Cleared Bank	Check #	Account	Pay Period Ending (3)	Amount
12/03/2015	12/04/2015	16595	General	11/26/2015	\$ 616.00
12/03/2015	12/04/2015	16596	General	(5)	500.00
04/14/2016	04/20/2016	16715	General	04/07/2016	616.00
04/21/2016	04/27/2016	16727	General	04/14/2016	616.00
04/21/2016	04/28/2016	16728 (4)	General	04/14/2016	616.00
04/28/2016	05/02/2016	16733	General	04/21/2016	616.00
05/05/2016	05/09/2016	16740	General	04/28/2016	616.00
05/05/2016	06/06/2016	16781 (4)	General	04/28/2016	616.00
05/12/2016	05/17/2016	16747	General	05/05/2016	616.00
05/19/2016	05/20/2016	16756	General	05/12/2016	616.00
05/19/2016	05/20/2016	16757	General	05/12/2016	616.00
05/25/2016	05/27/2016	16777 (4)	General	05/19/2016	616.00
05/26/2016	05/27/2016	16775	General	05/19/2016	616.00
06/02/2016	06/08/2016	16784	General	05/26/2016	616.00
06/09/2016	06/10/2016	16786	General	06/02/2016	616.00
06/09/2016	06/09/2016	16787	General	06/02/2016	616.00
06/16/2016	06/20/2016	16796	General	06/09/2016	616.00
06/23/2016	06/28/2016	16805	General	06/16/2016	616.00
06/30/2016	06/30/2016	16812	General	06/23/2016	616.00
07/07/2016	07/07/2016	16816	General	06/30/2016	616.00
Total Payments \$					<u>12,204.00</u>
Less Amount That Should Have Been Paid					<u>(8,624.00)</u>
Total Overpayments (6) \$					<u>3,580.00</u>

(1) Canceled checks indicate all checks were endorsed by Tracey Ray.

(2) Duplicated payroll disbursements only occurred for pay periods between April and June 2016.

(3) City officials indicated payroll disbursements were issued weekly on Thursday for the prior week. The pay period ending date is considered to be the date 7 days prior to the date the check was written.

(4) Payroll checks were handwritten. Other payroll checks listed were computer generated.

(5) No pay period indicated. Memo line of the check indicates "bonus."

(6) Based on payroll disbursements, the former City Clerk's pay was \$616 between November 2015 and June 2016. An unauthorized bonus and five duplicate payments occurred during this period resulting in \$3,580 in improper payroll disbursements.

Appendix P

City of Center

Undeposited Cash Receipts - General and Sewer Fund Accounts

			Cash Received By Fund (1)			Cash Deposit Amount Per Fund Bank Account			Difference Between Cash Receipts and Deposits			
Receipt Slip Date	Receipt Number	Purpose Per Receipt Slip or Other Documentation	General	Sewer	Total Cash Receipts	Deposit Slip Date	General	Sewer	Total Cash Deposits	General	Sewer	Total Cash Differences*
05/03/2016	962261	Building Permit	\$ 25.00		25.00							
05/22/2016	962259	Dog Impound Fee	54.00		54.00							
07/06/2016	962270	Dog Impound Fee	65.00		65.00							
08/01/2016	962266	Building Permit	25.00		25.00							
		Total 2016	169.00		169.00					(169.00)		(169.00)
01/09/2017	962272	Filing Fee	25.00		25.00							
02/01/2017	962273	Business License	25.00		25.00							
06/08/2017	962275	Taxes	1,100.00		1,100.00							
08/28/2017	962281	Building Permit	25.00		25.00							
09/05/2017	No receipt slip	Coffee Club Donation	75.00		75.00							
09/28/2017	962283	Permit	15.00		15.00							
10/02/2017	962284	Lego Table and Chairs (2)	100.00		100.00							
10/02/2017	No receipt slip	Coffee Club Donation	100.00		100.00							
10/31/2017	No receipt slip	Coffee Club Donation	100.00		100.00							
11/21/2017	962287	Town Hall Rental	25.00		25.00							
11/28/2017	No receipt slip	Coffee Club Donation	125.00		125.00							
12/01/2017	962289	Christmas Donation	40.00		40.00							
		Total 2017	1,755.00		1,755.00					(1,755.00)		(1,755.00)
01/03/2018	No receipt slip	Coffee Club Donation	150.00		150.00							
01/22/2018	No receipt slip	Coffee Club Donation	200.00		200.00							
01/22/2018	No receipt slip	Coffee Club Donation	150.00		150.00							
02/01/2018	962291	Wastewater		180.00	180.00							
02/06/2018	962292	Wastewater		400.00	400.00							
02/07/2018	962293	Wastewater		40.00	40.00							
02/13/2018	962295	Wastewater		40.00	40.00							
02/14/2018	962297	Wastewater		40.00	40.00							
02/14/2018	962298	Town Hall	40.00		40.00							
02/27/2018	No receipt slip	Coffee Club Donation	125.00		125.00							
						03/06/2018		1,490.00	1,490.00			
03/15/2018	958201	Wastewater		40.00	40.00							
03/15/2018	958203	Wastewater		160.00	160.00							
03/15/2018	958204	Wastewater		80.00	80.00							
						03/22/2018		780.00	780.00			
03/27/2018	No receipt slip	Coffee Club Donation	125.00		125.00							
04/11/2018	958211	Wastewater		80.00	80.00							
04/12/2018	958216	Wastewater		40.00	40.00							
						04/23/2018		200.00	200.00			
04/25/2018	958218	Taxes	120.00		120.00							
05/01/2018	No receipt slip	Coffee Club Donation	100.00		100.00							
05/03/2018	958219	Wastewater		40.00	40.00							
05/29/2018	No receipt slip	Coffee Club Donation	100.00		100.00							
						05/30/2018		240.00	240.00			
05/31/2018	958231	Wastewater		80.00	80.00							
06/07/2018	958234	Wastewater		160.00	160.00							
06/18/2018	958238	Wastewater		40.00	40.00							

Appendix P

City of Center

Undeposited Cash Receipts - General and Sewer Fund Accounts

			Cash Received By Fund (1)			Cash Deposit Amount Per Fund Bank Account				Difference Between Cash Receipts and Deposits		
Receipt Slip	Purpose Per Receipt				Total Cash	Deposit Slip			Total Cash			
Date	Receipt Number	Slip or Other Documentation	General	Sewer	Receipts	Date	General	Sewer	Deposits	General	Sewer	Total Cash Differences*
06/20/2018	958240	Wastewater		40.00	40.00							
06/25/2018	958241	Wastewater		140.00	140.00							
06/25/2018	958242	Wastewater		80.00	80.00							
06/26/2018	No receipt slip	Coffee Club Donation	150.00		150.00							
06/28/2018	958244	Wastewater		80.00	80.00							
						07/02/2018		640.00	640.00			
						07/02/2018	150.00		150.00			
07/09/2018	958246	Wastewater		40.00	40.00							
07/11/2018	958248	Wastewater		40.00	40.00							
07/11/2018	958249	Wastewater		40.00	40.00							
						07/16/2018		240.00	240.00			
07/17/2018	958252	Wastewater		40.00	40.00							
07/25/2018	958253	Wastewater		40.00	40.00							
07/25/2018	958254	Wastewater		40.00	40.00							
07/31/2018	958256	Wastewater		40.00	40.00							
07/31/2018	No receipt slip	Coffee Club Donation	150.00		150.00							
08/06/2018	958258	Wastewater		40.00	40.00							
08/06/2018	958261	Wastewater		40.00	40.00							
08/06/2018	958262	Wastewater		40.00	40.00							
08/09/2018	958263	Wastewater		40.00	40.00							
08/14/2018	958264	Wastewater		40.00	40.00	08/14/2018		120.00	120.00			
08/15/2018	958266	Wastewater		160.00	160.00							
08/28/2018	958271	Wastewater		100.00	100.00							
08/28/2018	No receipt slip	Coffee Club Donation	150.00		150.00							
09/10/2018	958272	Wastewater		40.00	40.00							
09/10/2018	958273	Wastewater		40.00	40.00							
09/17/2018	958275	Wastewater		160.00	160.00							
09/18/2018	958280	Wastewater		40.00	40.00							
09/25/2018	No receipt slip	Coffee Club Donation	150.00		150.00							
09/26/2018	958282	Wastewater		40.00	40.00							
09/27/2018	958283	Building Permit	25.00		25.00							
09/27/2018	958284	Wastewater		40.00	40.00							
10/09/2018	958286	Wastewater		60.00	60.00							
10/11/2018	958287	Wastewater		40.00	40.00							
10/15/2018	958288	Wastewater		40.00	40.00							
10/15/2018	958289	Wastewater		40.00	40.00							
10/15/2018	958290	Wastewater		40.00	40.00							
10/16/2018	958291	Wastewater		50.00	50.00							
10/18/2018	958294	Wastewater		40.00	40.00							
10/18/2018	958295	Wastewater		40.00	40.00							
10/29/2018	958297	Wastewater		40.00	40.00							
10/30/2018	No receipt slip	Coffee Club Donation	150.00		150.00							
11/05/2018	958300	Taxes and City Sticker	48.49		48.49							
						11/06/2018		120.00	120.00			

Appendix P

City of Center

Undeposited Cash Receipts - General and Sewer Fund Accounts

Receipt Slip Date	Receipt Number	Purpose Per Receipt Slip or Other Documentation	Cash Received By Fund (1)			Cash Deposit Amount Per Fund Bank Account			Difference Between Cash Receipts and Deposits			
			General	Sewer	Total Cash Receipts	Deposit Slip Date	General	Sewer	Total Cash Deposits	General	Sewer	Total Cash Differences*
11/13/2018	958304	Wastewater		40.00	40.00							
11/15/2018	958307	Wastewater		40.00	40.00	11/14/2018		200.00	200.00			
11/15/2018	958310	Wastewater		100.00	100.00	11/15/2018		40.00	40.00			
11/20/2018	958311	Wastewater		40.00	40.00							
11/20/2018	958312	Wastewater		100.00	100.00	11/20/2018		100.00	100.00			
11/29/2018	No receipt slip	Coffee Club Donation	150.00		150.00							
12/04/2018	958313	Wastewater		45.00	45.00							
12/05/2018	958317	Wastewater		80.00	80.00							
12/05/2018	958318	Town Hall	25.00		25.00							
12/11/2018	958320	Wastewater		40.00	40.00	12/06/2018	21.03		21.03			
12/14/2018	958321	Wastewater		80.00	80.00	12/13/2018	30.16		30.16			
12/17/2018	958322	Wastewater		160.00	160.00							
12/18/2018	958323	Wastewater		40.00	40.00							
12/31/2018	958328	Wastewater		80.00	80.00	12/20/2018	35.78		35.78			
no date on receipt slip	958305	Wastewater		40.00	40.00	12/28/2018	31.84		31.84			
						12/31/2018	6.37		6.37			
		Total 2018	2,108.49	4,135.00	6,243.49		275.18	4,170.00	4,445.18	(1,833.31)	35.00	(1,798.31)
01/01/2019	No receipt slip	Coffee Club Donation	100.00		100.00							
01/03/2019	958327	Wastewater		40.00	40.00							
01/07/2019	958329	Wastewater		160.00	160.00							
01/22/2019	958333	Wastewater		160.00	160.00	01/09/2019		42.40	42.40			
01/22/2019	958334	Wastewater		90.00	90.00	01/16/2019		40.00	40.00			
01/31/2019	958336	Taxes	400.00		400.00							
02/04/2019	No receipt slip	Coffee Club Donation	150.00		150.00							
02/07/2019	958337	Wastewater		30.00	30.00							
02/11/2019	958339	Wastewater		200.00	200.00							
02/11/2019	958341	Wastewater		35.18	35.18							
02/11/2019	958342	Wastewater		30.00	30.00	02/13/2019		60.00	60.00			
02/19/2019	958343	Wastewater		40.00	40.00	02/14/2019		30.00	30.00			
02/21/2019	958344	Wastewater		70.00	70.00							
02/21/2019	958345	Taxes	50.00		50.00							
02/28/2019	958346	Taxes and Wastewater	1,060.00	40.00	1,100.00							
03/04/2019	No receipt slip	Coffee Club Donation	150.00		150.00							
03/05/2019	958347	Wastewater		120.00	120.00							
03/05/2019	958348	Wastewater		40.00	40.00	03/05/2019		30.00	30.00			

Appendix P

City of Center

Undeposited Cash Receipts - General and Sewer Fund Accounts

			Cash Received By Fund (1)			Cash Deposit Amount Per Fund Bank Account			Difference Between Cash Receipts and Deposits			
Receipt Slip Date	Receipt Number	Purpose Per Receipt Slip or Other Documentation	General	Sewer	Total Cash Receipts	Deposit Slip Date	General	Sewer	Total Cash Deposits	General	Sewer	Total Cash Differences*
03/11/2019	958349	Wastewater		113.00	113.00							
04/01/2019	No receipt slip	Coffee Club Donation	150.00		150.00							
04/02/2019	958352	City Sticker	5.00		5.00							
04/03/2019	958353	Wastewater		30.00	30.00							
04/03/2019	958354	Wastewater		50.00	50.00							
04/04/2019	958355	Wastewater		294.87	294.87							
04/09/2019	958356	No Purpose Listed		20.00	20.00							
						04/10/2019		47.79	47.79			
04/15/2019	958357	No Purpose Listed		100.00	100.00							
04/15/2019	958359	Wastewater		30.00	30.00	04/15/2019		12.21	12.21			
						04/17/2019		31.61	31.61			
04/30/2019	No receipt slip	Coffee Club Donation	150.00		150.00							
						05/07/2019		30.00	30.00			
						05/15/2019		142.70	142.70			
05/16/2019	824802	Wastewater		200.00	200.00	05/16/2019		30.00	30.00			
						05/24/2019		0.92	0.92			
05/29/2019	No receipt slip	Coffee Club Donation	100.00		100.00							
06/03/2019	958361	Wastewater		40.00	40.00							
06/03/2019	958362	Wastewater		240.00	240.00							
						06/06/2019		58.51	58.51			
						06/14/2019		349.69	349.69			
06/20/2019	824807	Wastewater		208.00	208.00							
						06/21/2019		30.00	30.00			
						06/21/2019		38.08	38.08			
06/24/2019	624603	Wastewater		30.00	30.00							
						06/25/2019		67.00	67.00			
		Total 2019	2,315.00	2,411.05	4,726.05		0.00	1,040.91	1,040.91	(2,315.00)	(1,370.14)	(3,685.14)
		Total	\$ 6,347.49	6,546.05	12,893.54		275.18	5,210.91	5,486.09	(6,072.31)	(1,335.14)	(7,407.45)

*The table provides supporting documentation for undeposited recorded cash receipts totaling \$7,407.45 for the General and Sewer Fund accounts.

(1) Cash received was classified by bank account based on the purpose on the receipt slip or other documentation. Receipts were classified as General Fund account receipts if the receipt slip purpose was not specific and/or no other documentation was available to indicate the purpose. All coffee club donations were classified as recorded to the General Fund.

(2) This receipt slip is included because it was included with other city receipt slips; however, it is unknown if this was a city transaction.

Appendix Q

City of Center
Questionable Unsupported Disbursements

Payment Date (1)	Vendor	Check Number Or ACH	City Bank Account	Accounting System Description and Memo, if Available (6)	Accounting System Expense Category, if Available (6)	Amount
04/29/2016	Ace Hardware	2748	Sewer	Ace Hardware	Sewer Materials	\$ 196.21
					Subtotal	196.21
07/25/2017	Amy Niffen	17167	General			200.00
					Subtotal	200.00
11/20/2015	B&S Electric Motor Services	793	Fire			885.00
					Subtotal	885.00
03/15/2016	Bill Pettey	16681	General	Bill Pettey	City Maintenance: City Hall	80.00
08/02/2017	Bill Pettey	17177	General			75.00
					Subtotal	155.00
01/13/2015	Brandon Essig	2024	Street			40.00
					Subtotal	40.00
06/30/2015	Brandon Pemberton	16418	General			60.00
07/14/2015	Brandon Pemberton	16432	General			90.00
					Subtotal	150.00
12/20/2018	BW Gas & Convenience Retail	(4) 17695	General	(7)	(7)	170.30
03/14/2019	BW Gas & Convenience Retail	(4) 17767	General			21.99
04/16/2019	BW Gas & Convenience Retail	2983	Sewer			43.98
					Subtotal	236.27
07/31/2015	Cash	1287	Park			500.00
02/26/2016	Cash	1306	Park	RCSBank	Park: Trivia Night Expense	150.00
07/21/2016	Cash	1320	Park	Cash for Change	Park Day Expense	250.00
07/21/2016	Cash	1322	Park	Cash for Drink Stand	Park Day Expense	25.00
05/17/2017 (2)	Cash	-	Park			80.00
06/28/2017 (2)	Cash	-	Park			75.00
07/27/2017	Cash	1334	Park			500.00
07/26/2018	Cash	1362	Park			100.00
					Subtotal	1,680.00
01/02/2019	Christopher Belcher	(4) 2948	Sewer	(7)	(7)	75.00
					Subtotal	75.00
06/03/2019	City of Center	2987	Sewer			330.00
					Subtotal	330.00
02/04/2015	Cornerstone Auto Care Center	16242	General			47.25
					Subtotal	47.25
09/24/2018	Country Butcher Shop	1371	Park			78.17

Appendix Q

City of Center
Questionable Unsupported Disbursements

Payment Date (1)	Vendor	Check Number Or ACH	City Bank Account	Accounting System Description and Memo, if Available (6)	Accounting System Expense Category, if Available (6)	Amount
					Subtotal	78.17
05/27/2016	County Market	16746	General	County Market	Park: Equipment	120.88
07/17/2017	County Market	1329	Park			73.57
					Subtotal	194.45
05/17/2018	Co-op	1353	Park			95.00
					Subtotal	95.00
06/26/2015	Crossroads	1272	Park			22.00
06/30/2015	Crossroads	16425	General			35.00
07/14/2015	Crossroads	1276	Park			29.18
					Subtotal	86.18
06/07/2016	Dana Potts	16779	General	Dana Potts	City Maintenance	75.00
					Subtotal	75.00
01/16/2015	David Roberts	(9) 16221	General			2,350.00
06/30/2015	David Roberts	16426	General			150.00
08/05/2015	David Roberts	16442	General			400.00
09/03/2015	David Roberts	2707	Sewer			900.00
09/24/2015	David Roberts	2712	Sewer			2,200.00
11/13/2015	David Roberts	2053	Street			950.00
11/25/2015	David Roberts	16588	General			1,000.00
12/11/2015	David Roberts	2057	Street			1,600.00
12/31/2015	David Roberts	2059	Street			850.00
01/29/2016	David Roberts	16644	General	David Roberts	City Maintenance	260.08
05/26/2016	David Roberts	802	Fire	David Roberts	Fire Dept. Expenses	375.00
06/16/2016	David Roberts	16795	General	S David Roberts, Oil, Barrels, Shop To...	Reimbursement	34.00
06/30/2016	David Roberts	2764	Sewer	David Roberts	Sewer Maintenance	1,081.14
07/08/2016	David Roberts	16818	General	David Roberts	City Maintenance	350.00
07/15/2016	David Roberts	16822	General	David Roberts	City Maintenance	602.33
07/29/2016	David Roberts	2082	Street	David Roberts	City Maintenance	1,162.66
10/17/2016	David Roberts	2100	Street	David Roberts	Street Maintenance	800.00
10/21/2016	David Roberts	2110	Street	David Roberts	Street Maintenance	512.51
11/04/2016	David Roberts	2111	Street	David Roberts	Street Maintenance	(3) 943.76
11/23/2016	David Roberts	2114	Street	David Roberts	Street Materials	117.19
12/02/2016	David Roberts	2120	Street	David Roberts	Street Maintenance	1,236.78

Appendix Q

City of Center
Questionable Unsupported Disbursements

Payment Date (1)	Vendor	Check Number Or ACH	City Bank Account	Accounting System Description and Memo, if Available (6)	Accounting System Expense Category, if Available (6)	Amount
12/16/2016	David Roberts	2118	Street	David Roberts	Street Maintenance	358.28
01/03/2017	David Roberts	2129	Street	David Roberts	Street Maintenance	321.72
01/13/2017	David Roberts	16964	General			501.66
01/27/2017	David Roberts	16980	General			71.12
01/27/2017	David Roberts	16983	General			403.99
02/10/2017	David Roberts	2132	Street			475.03
02/24/2017	David Roberts	2136	Street			903.20
03/30/2017	David Roberts	2826	Sewer			210.00
03/23/2017	David Roberts	17035	General			796.68
03/23/2017	David Roberts	17036	General			225.00
04/07/2017	David Roberts	2141	Street			1,315.01
04/21/2017	David Roberts	2144	Street			924.91
05/09/2017	David Roberts	17085	General			776.82
05/22/2017	David Roberts	17103	General			366.50
06/02/2017	David Roberts	17117	General			617.89
06/20/2017	David Roberts	17128	General			314.94
07/05/2017	David Roberts	2146	Street			521.22
07/13/2017	David Roberts	17162	General			274.46
07/28/2017	David Roberts	2847	Sewer			288.31
08/25/2017	David Roberts	17196	General			756.32
09/08/2017	David Roberts	17221	General			495.98
09/22/2017	David Roberts	17230	General			200.35
10/06/2017	David Roberts	2150	Street			574.63
10/20/2017	David Roberts	2151	Street			379.53
10/20/2017	David Roberts	17269	General			271.92
02/09/2018	David Roberts	17373	General			77.82
02/26/2018	David Roberts	17392	General			219.20
03/09/2018	David Roberts	(4) 2886	Sewer	(7)	(7)	76.98
05/07/2018	David Roberts	17468	General			155.94
05/18/2018	David Roberts	17481	General			303.17
06/01/2018	David Roberts	17495	General			482.12
06/15/2018	David Roberts	17510	General			350.40
06/15/2018	David Roberts	2167	Street			81.83
06/15/2018	David Roberts	2910	Sewer			46.72

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City of Center
Questionable Unsupported Disbursements

Payment Date (1)	Vendor	Check Number Or ACH	City Bank Account	Accounting System Description and Memo, if Available (6)	Accounting System Expense Category, if Available (6)	Amount
07/02/2018	David Roberts	17532	General			194.49
07/12/2018	David Roberts	17543	General			278.88
07/12/2018	David Roberts	2914	Sewer			73.44
07/12/2018	David Roberts	2168	Street			150.93
08/15/2018	David Roberts	17570	General			379.28
08/27/2018	David Roberts	17592	General			297.61
08/27/2018	David Roberts	2169	Street			151.71
09/07/2018	David Roberts	17604	General			107.53
10/05/2018	David Roberts	2171	Street			236.98
10/18/2018	David Roberts	17633	General			200.52
11/19/2018	David Roberts	(4) 2938	Sewer	(7)	(7)	320.94
03/11/2019	David Roberts	(4) 17776	General			122.38
03/21/2019	David Roberts	(4) 2975	Sewer			583.70
04/08/2019	David Roberts	2176	Street			247.05
04/16/2019	David Roberts	17811	General			200.00
05/06/2019	David Roberts	2979	Sewer			300.00
06/03/2019	David Roberts	2995	Sewer			496.81
12/02/2016	M. David Roberts	2117	Street	David Roberts	Street Maintenance	100.00
03/09/2017	M. David Roberts	2137	Street			991.02
08/15/2017	M. David Roberts	17189	General			541.92
04/18/2019	M. David Roberts	17812	General			385.21
					Subtotal	<u>38,375.50</u>
11/25/2015	David Smith	1301	Park			50.00
					Subtotal	<u>50.00</u>
12/19/2016	Dollar General	16920	General	Dollar General	City Hall Supplies	156.94
11/03/2017	Dollar General	17256	General	(7)	(7)	17.02
11/20/2017	Dollar General	1347	Park	(7)	(7)	78.28
04/18/2018	Dollar General	(4) 17411	General	(7)	(7)	85.08
05/17/2018	Dollar General	17459	General			55.88
08/07/2018	Dollar General	17535	General			83.34
10/16/2018	Dollar General	17615	General			71.94
12/17/2018	Dollar General	(4) 17703	General	(7)	(7)	80.73
					Subtotal	<u>629.21</u>
01/30/2017	Donald Kent	16984	General			200.00

Appendix Q

City of Center
Questionable Unsupported Disbursements

Payment Date (1)	Vendor	Check Number Or ACH	City Bank Account	Accounting System Description and Memo, if Available (6)	Accounting System Expense Category, if Available (6)	Amount
05/04/2017	Donald Kent	17070	General			260.00
07/06/2017	Donald Kent	17136	General			50.00
02/02/2018	Donald Kent	17355	General			125.00
06/18/2019	Donald Kent	17868	General			205.81
					Subtotal	840.81
06/14/2017	Fleet Safety Equipment	ACH	Police Training			2,199.00
					Subtotal	2,199.00
02/03/2017	F.O.P (Fraternal Order of Police) Lodge 103	16967	General			360.00
05/29/2018	F.O.P (Fraternal Order of Police) Lodge 103	17478	General			360.00
					Subtotal	720.00
05/03/2018 (4)	Gary Freyworth	2904	Sewer			289.00
					Subtotal	289.00
08/04/2017	George Arch	17178	General			150.00
					Subtotal	150.00
04/25/2016	Griffen's Flowers	1308	Park	Griffen's Flowers	Park Day Expense	53.00
					Subtotal	53.00
03/29/2016	Garner Sales & Service	799	Fire	Garner Sales & Serv, Nozzle, Bolt Cutter, He...	Fire Dept Expenses	588.30
					Subtotal	588.30
10/27/2017	Farm & Home Supply	9999	Community Organization			299.99
12/19/2017	Farm & Home Supply	17311	General	(7)	(7)	98.92
01/31/2018	Farm & Home Supply	17353	General	(7)	(7)	39.99
11/14/2018	Farm & Home Supply (4)	2929	Sewer	(7)	(7)	199.99
12/06/2018	Farm & Home Supply (4)	1373	Park	(7)	(7)	41.93
					Subtotal	680.82
12/07/2015	Home Depot	16572	General			118.48
					Subtotal	118.48
08/15/2017	Jennifer Epperson	1343	Park			75.00
					Subtotal	75.00
08/31/2017	Jimmy Allen	17219	General			1,197.86

Appendix Q

City of Center
Questionable Unsupported Disbursements

Payment Date (1)	Vendor	Check Number Or ACH	City Bank Account	Accounting System Description and Memo, if Available (6)	Accounting System Expense Category, if Available (6)	Amount
					Subtotal	1,197.86
05/01/2015	Jon Mickels	16335	General			52.50
05/12/2015	Jon Mickels	16345	General			24.00
05/18/2015	Jon Mickels	16355	General			40.00
06/22/2015	Jon Mickels	16411	General			36.00
					Subtotal	152.50
05/27/2015	Karla B's	1268	Park			43.29
					Subtotal	43.29
06/01/2015	Kevin Huse	2682	Sewer			100.00
					Subtotal	100.00
12/10/2018	KJ Beaver	(4) 2931	Sewer	(7)	(7)	300.00
12/12/2018	KJ Beaver	(4) 17699	General	(7)	(7)	300.00
					Subtotal	600.00
04/27/2015	Kyle Evans	16315	General			485.30
					Subtotal	485.30
08/12/2015	LaCrosse Lumber Company	1291	Park			4,132.07
					Subtotal	4,132.07
07/21/2016	LeeAnn Brown	1319	Park	Leeann Brown	Park Day Expense	50.00
					Subtotal	50.00
05/28/2015	Lowe's	1270	Park			40.82
06/09/2015	Lowe's	16380	General			199.00
10/02/2015	Lowe's	2048	Street			31.00
04/08/2016	Lowe's	16702	General	Lowe's	City Maintenance: City Shed	747.14
04/08/2016	Lowe's	16703	General	Lowe's	City Maintenance: City Shed	42.87
04/19/2016	Lowe's	16712	General	Lowe's	City Maintenance: City Shed	161.90
04/19/2016	Lowe's	2747	Sewer	Lowe's	Sewer Materials	34.77
05/04/2016	Lowe's	16736	General	Lowe's	City Maintenance: City Shed	152.33
06/10/2016	Lowe's	16782	General	Lowe's	City Maintenance: Tools	528.85
06/27/2016	Lowe's	16791	General	Lowe's	City Maintenance: City Shed	502.67
07/07/2016	Lowe's	2074	Street	Lowe's	City Maintenance	367.13
03/29/2017	Lowe's	17013	General			132.62
03/30/2017	Lowe's	17012	General			93.74
10/06/2017	Lowe's	17245	General			99.40
07/10/2018	Lowe's	17531	General			513.64

Appendix Q

City of Center
Questionable Unsupported Disbursements

Payment Date (1)	Vendor	Check Number Or ACH	City Bank Account	Accounting System Description and Memo, if Available (6)	Accounting System Expense Category, if Available (6)	Amount
08/16/2018	Lowe's	1364	Park			954.18
08/17/2018	Lowe's	1365	Park			51.97
11/16/2018	Lowe's	(4) 2930	Sewer	(7)	(7)	1,237.67
12/03/2018	Lowe's	(4) 2939	Sewer	(7)	(7)	90.73
01/23/2019	Lowe's	(4) 2943	Sewer	(7)	(7)	210.90
04/12/2019	Lowe's	17783	General			172.98
					Subtotal	6,366.31
06/02/2017	Mary Riley	17111	General			265.00
					Subtotal	265.00
08/03/2018	Matt Hawkins	1363	Park			1,099.06
					Subtotal	1,099.06
02/20/2015	McKnight Tire & Auto Center	16249	General			445.08
					Subtotal	445.08
06/19/2015	Menards	16399	General			56.81
					Subtotal	56.81
05/08/2015	Michael Carman	16305	General			1,250.00
07/17/2015	Michael Carman	16438	General			530.00
09/24/2015	Michael Carman	2710	Sewer			2,864.00
10/13/2015	Michael Carman	2716	Sewer			1,976.42
					Subtotal	6,620.42
12/22/2015	NBFSA	16608	General			99.00
					Subtotal	99.00
10/30/2015	Nick Johnson	2720	Sewer			300.00
					Subtotal	300.00
01/20/2015	Niemann Foods	16213	General			30.93
07/22/2015	Niemann Foods	16454	General			98.58
11/30/2015	Niemann Foods	16590	General			4.49
06/20/2018	Niemann Foods	17515	General			21.99
					Subtotal	155.99
07/23/2015	Oriental Trading Company	16444	General			123.86
12/22/2015	Oriental Trading Company	16610	General			31.70
09/06/2017	Oriental Trading Company	17181	General			264.72
					Subtotal	420.28
03/29/2019	Precision Safety Lock & Security	(4) 17782	General			294.00

Appendix Q

City of Center
Questionable Unsupported Disbursements

Payment Date (1)	Vendor	Check Number Or ACH	City Bank Account	Accounting System Description and Memo, if Available (6)	Accounting System Expense Category, if Available (6)	Amount
					Subtotal	294.00
10/02/2018	Quick Lane	17625	General			121.79
					Subtotal	121.79
09/03/2015	Quincy K-9 Connection	16496	General			100.00
					Subtotal	100.00
05/24/2018	Riback Supply Company	1354	Park			984.17
06/15/2018	Riback Supply Company	1356	Park			873.89
					Subtotal	1,858.06
04/21/2015	Sam's Club	1266	Park			211.82
06/15/2015	Sam's Club	16400	General			93.77
12/14/2015	Sam's Club	16587	General			100.00
03/22/2016	Sam's Club	16684	(8) General	Sams	Town Hall Supplies	107.92
07/21/2016	Sam's Club	1317	Park	Sam's Club	Park Day Expense	716.18
07/27/2016	Sam's Club	1323	Park	Sam's Club	Park Day Expense	96.05
09/24/2018	Sam's Club	1369	Park			97.62
					Subtotal	1,423.36
11/06/2018	Sherwin-Williams	17651	General	Sherwin Williams	Park Maintenance	44.88
					Subtotal	44.88
08/01/2016	Shopko	1316	Park	Curtains and folding tables	Park Day Expense	291.93
					Subtotal	291.93
04/14/2015	Stacy Beer	16306	General			25.00
					Subtotal	25.00
07/17/2015	Sterling Long	1277	Park			500.00
					Subtotal	500.00
04/26/2019	Stone Castle Hotel and Conference Center	1065	Police Training			286.00
					Subtotal	286.00
08/10/2015	Sue Ann Westhoff	1280	Park			150.00
					Subtotal	150.00
07/28/2017	Teresa Benner	17176	General			120.00
08/15/2017	Teresa Benner	17190	General			120.00
08/25/2017	Teresa Benner	17197	General			120.00
09/08/2017	Teresa Benner	17222	General			120.00
09/22/2017	Teresa Benner	17233	General			120.00

Appendix Q

City of Center
Questionable Unsupported Disbursements

Payment Date (1)	Vendor	Check Number Or ACH	City Bank Account	Accounting System Description and Memo, if Available (6)	Accounting System Expense Category, if Available (6)	Amount
10/06/2017	Teresa Benner	17254	General			120.00
10/20/2017	Teresa Benner	17270	General			120.00
11/06/2017	Teresa Benner	17283	General	Teresa Benner	City Maintenance	120.00
11/17/2017	Teresa Benner	17300	General	Teresa Benner	City Maintenance	120.00
12/01/2017	Teresa Benner	17307	General	Teresa Benner	City Maintenance	120.00
05/11/2018	Teresa Benner	17450	General			240.00
05/24/2018	Teresa Benner	17488	General			163.02
06/08/2018	Teresa Benner	17504	General			144.00
06/25/2018	Teresa Benner	17507	General			24.00
06/22/2018	Teresa Benner	17517	General			180.00
07/11/2018	Teresa Benner	17538	General			120.00
08/27/2018	Teresa Benner	17565	General			180.00
09/06/2018	Teresa Benner	17595	General			120.00
09/06/2018	Teresa Benner	17603	General			129.00
11/02/2018	Teresa Benner	17645	General	(7)	(7)	120.00
					Subtotal	<u>2,620.02</u>
12/15/2015	Thomas Barnett	16597	General			1,712.72
					Subtotal	<u>1,712.72</u>
03/17/2016	Virgil Poage	16682	General	Virgil Poage	City Maintenance: City Hall	80.00
					Subtotal	<u>80.00</u>
02/17/2015	Walmart	16245	General			124.23
03/11/2016	Walmart	16676	General	Wal-Mart	City Hall Supplies	105.71
03/22/2016	Walmart	16685	(5) General	Wal-Mart	City Hall Supplies	315.19
04/07/2016	Walmart	16704	General	Wal-Mart, new weedeaters	City Maintenance: Mowing	354.92
04/14/2016	Walmart	16711	General	Wal-Mart	City Hall Supplies	113.81
04/25/2016	Walmart	16713	General	Wal-Mart	City Hall Supplies	341.68
05/10/2016	Walmart	16742	General	Wal-Mart	City Hall Supplies	266.10
05/26/2016	Walmart	16770	General	Wal-Mart	City Hall Supplies	311.09
06/06/2016	Walmart	16778	General	Wal-Mart	City Maintenance: Tools	258.28
06/09/2016	Walmart	2759	Sewer	Wal-Mart	Sewer Materials	278.56
06/23/2016	Walmart	16790	General	Wal-Mart	City Hall Supplies	517.11
06/30/2016	Walmart	16807	General	Wal-Mart	Park Day Expense	511.99
07/05/2016	Walmart	16808	General	Wal-Mart	Park Day Expense	265.82
07/06/2016	Walmart	16809	General	Wal-Mart	Park Day Expense	281.30

Appendix Q

City of Center
Questionable Unsupported Disbursements

Payment Date (1)	Vendor	Check Number Or ACH	City Bank Account	Accounting System Description and Memo, if Available (6)	Accounting System Expense Category, if Available (6)	Amount
07/27/2016	Walmart	16836	General	Wal-Mart	City Hall Supplies	218.38
08/22/2016	Walmart	2781	Sewer	Wal-Mart	City Hall Supplies	443.16
10/11/2016	Walmart	2098	Street	Wal-Mart	Street Materials	565.74
01/23/2017	Walmart	16968	General			233.26
05/30/2017	Walmart	17097	General			85.95
07/31/2017	Walmart	1340	Park			45.95
10/16/2017	Walmart	17220	General			70.37
09/24/2018	Walmart	1370	Park			43.99
03/25/2019	Walmart	(4) 17730	General			549.90
Subtotal						<u>6,302.49</u>
Total						<u>\$ 87,691.87</u>

- (1) Payment date is the date the disbursement cleared the city bank account.
- (2) There is not a check number indicated for this disbursement because this was a DDA Debit directly from the city's bank account.
- (3) The amount of this transaction was recorded as \$643.76 in the November 2016 Transaction Report for City Council, but was recorded as \$943.76, which is the actual amount of the check, in the 2016 Register Report.
- (4) The disbursement was not included on available lists of bills provided to the Board.
- (5) Check number 16885 was recorded in the accounting system for this transaction.
- (6) Accounting system information was only available for 21 months of our audit period (all months of 2016; November and December 2017; January, March, April, November, and December 2018; and January and February 2019). The 2016 information is from an accounting system register report. The remaining information is from accounting system transaction reports. Description is shown as shown on system reports.
- (7) The disbursements were not included on available accounting system reports.
- (8) Check number 16884 was recorded in the accounting system for this disbursement.
- (9) David Roberts is a part-time city employee who also performed contract labor for the city. Payments to this individual not indicated as payroll in accounting system reports or otherwise supported are included in this appendix.

Appendix R

City of Center
Questionable Payroll Disbursements

Questionable Payroll Disbursements to Former City Clerk Tracey Ray

Payroll Disbursements Per Cleared Check					Payroll Disbursements Recorded in City Accounting System (1)		
Date of Check (1)	Date Check Cleared Bank	Check Number	Account	Amount	Date	Amount	Possible Overpayment
11/02/2017	11/07/2017	17276	General	\$ 601.39	11/02/2017	\$ (493.71)	\$ 107.68
11/09/2017	11/13/2017	17285	General	601.39	11/09/2017	(493.71)	107.68
11/16/2017	11/17/2017	17291	General	601.39	11/16/2017	(493.71)	107.68
11/22/2017	11/24/2017	17302	General	601.39	11/22/2017	(493.71)	107.68
12/07/2017	12/08/2017	17301	General	601.39	12/07/2017	(493.71)	107.68
11/30/2017	12/04/2017	17305	General	601.39	11/30/2017	(493.71)	107.68
12/14/2017	12/15/2017	17321	General	601.39	12/14/2017	(493.71)	107.68
12/21/2017	12/22/2017	17323	General	601.39	12/21/2017	(493.71)	107.68
12/28/2017	01/03/2018	17327	General	601.39	12/28/2017	(493.71)	107.68
			Subtotal	<u>5,412.51</u>		<u>(4,443.39)</u>	<u>969.12</u>
01/04/2018	01/08/2018	17332	General	601.39	01/04/2018	(493.71)	107.68
01/11/2018	01/17/2018	17336	General	601.39	01/11/2018	(493.71)	107.68
01/18/2018	01/22/2018	17347	General	601.39	01/18/2018	(493.71)	107.68
01/25/2018	01/29/2018	17351	General	601.39	01/25/2018	(493.71)	107.68
03/01/2018	03/05/2018	17387	General	601.39	03/01/2018	(493.71)	107.68
03/08/2018	03/12/2018	17400	General	601.39	03/08/2018	(493.71)	107.68
03/15/2018	03/19/2018	17406	General	601.31	03/15/2018	(493.71)	107.60
03/22/2018	03/26/2018	17413	General	601.39	03/22/2018	(493.71)	107.68
03/29/2018	04/02/2018	17416	General	601.39	03/29/2018	(493.71)	107.68
04/05/2018	04/09/2018	17431	General	601.39	04/05/2018	(493.71)	107.68
04/12/2018	04/13/2018	17437	General	601.39	04/12/2018	(493.71)	107.68
04/19/2018	04/23/2018	17448	General	601.39	04/19/2018	(493.71)	107.68
04/26/2018	05/01/2018	17457	General	601.39	04/26/2018	(493.71)	107.68
11/01/2018	11/02/2018	17665	General	601.31	11/01/2018	(493.71)	107.60
11/08/2018	11/09/2018	17667	General	601.31	11/08/2018	(493.71)	107.60
11/15/2018	11/19/2018	17678	General	601.31	11/15/2018	(493.71)	107.60
11/22/2018	11/23/2018	17682	General	601.31	11/22/2018	(493.71)	107.60

Appendix R

City of Center
Questionable Payroll Disbursements

Questionable Payroll Disbursements to Former City Clerk Tracey Ray

Payroll Disbursements Per Cleared Check					Payroll Disbursements Recorded in City Accounting System (1)		
Date of Check (1)	Date Check Cleared Bank	Check Number	Account	Amount	Date	Amount	Possible Overpayment
11/29/2018	12/03/2018	17690	General	601.31	11/29/2018	(493.71)	107.60
12/06/2018	12/07/2018	17702	General	601.31	12/06/2018	(493.71)	107.60
12/13/2018	12/14/2018	17707	General	601.31	12/13/2018	(493.71)	107.60
12/20/2018	12/21/2018	17710	General	601.31	12/20/2018	(493.71)	107.60
12/27/2018	12/28/2018	17713	General	601.31	12/27/2018	(493.71)	107.60
			Subtotal	<u>13,229.78</u>		<u>(10,861.62)</u>	<u>2,368.16</u>
01/03/2019	01/04/2019	17718	General	601.31	01/03/2019	(493.71)	107.60
01/10/2019	01/14/2019	17722	General	601.31	01/10/2019	(493.71)	107.60
01/17/2019	01/18/2019	17725	General	601.31	01/17/2019	(493.71)	107.60
01/24/2019	01/25/2019	17734	General	601.31	01/24/2019	(493.71)	107.60
01/31/2019	02/04/2019	17744	General	601.31	01/31/2019	(493.71)	107.60
02/07/2019	02/08/2019	17745	General	601.31	02/07/2019	(493.71)	107.60
02/14/2019	02/19/2019	17751	General	601.31	02/14/2019	(493.71)	107.60
02/21/2019	02/22/2019	17755	General	601.31	02/21/2019	(493.71)	107.60
02/28/2019	03/01/2019	17758	General	601.31	02/28/2019	(493.71)	107.60
			Subtotal	<u>5,411.79</u>		<u>(4,443.39)</u>	<u>968.40</u>
				<u>\$ 24,054.08</u>		<u>\$ (19,748.40)</u>	<u>\$ 4,305.68</u>

(1) Accounting system information was only available for 21 months of our audit period (all months of 2016; November and December 2017; January, March, April, November, and December 2018; and January and February 2019). The 2016 information is from an accounting system register report. The remaining information is from accounting system transaction reports.

Appendix R

City of Center
Questionable Payroll Disbursements

Questionable Payroll Disbursements to Former Police Chief David Ray

Payroll Disbursements Per Cleared Check					Payroll Disbursements Recorded in City Accounting System (2)		
Date of Check (1)	Date Check Cleared Bank	Check Number	Account	Amount	Date	Amount	Possible Overpayment
11/09/2017	11/13/2017	17284	General	\$ 478.24	11/09/2017	\$ (436.22)	\$ 42.02
11/16/2017	11/17/2017	17290	General	529.04	11/16/2017	(429.04)	100.00
11/22/2017	11/24/2017	17303	General	529.04	11/22/2017	(429.04)	100.00
11/30/2017	12/04/2017	17306	General	529.04	11/30/2017	(429.04)	100.00
12/07/2017	12/08/2017	17309	General	529.04	12/07/2017	(429.04)	100.00
12/14/2017	12/15/2017	17320	General	529.04	12/14/2017	(429.04)	100.00
			Subtotal	<u>3,123.44</u>		<u>(2,581.42)</u>	<u>542.02</u>
12/28/2017	01/03/2018	17326	General	525.65	12/28/2017	(425.65)	100.00
01/04/2018	01/08/2018	17333	General	469.16	01/04/2018	(369.16)	100.00
01/11/2018	01/17/2018	17338	General	454.69	01/11/2018	(354.69)	100.00
01/18/2018	01/22/2018	17348	General	557.98	01/18/2018	(457.98)	100.00
03/01/2018	03/05/2018	17370	General	562.98	03/01/2018	(462.98)	100.00
03/08/2018	03/12/2018	17401	General	431.83	03/08/2018	(331.83)	100.00
03/15/2018	03/19/2018	17407	General	564.98	03/15/2018	(464.98)	100.00
03/22/2018	03/26/2018	17412	General	841.57	03/22/2018	(441.57)	400.00
03/29/2018	04/02/2018	17415	General	435.91	03/29/2018	(335.91)	100.00
04/12/2018	04/13/2018	17436	General	563.98	04/12/2018	(463.98)	100.00
04/19/2018	04/23/2018	17447	General	561.98	04/19/2018	(461.98)	100.00
04/26/2018	05/01/2018	17456	General	561.98	04/26/2018	(461.98)	100.00
			Subtotal	<u>6,532.69</u>		<u>(5,032.69)</u>	<u>1,500.00</u>
			Total	<u>\$ 9,656.13</u>		<u>\$ (7,614.11)</u>	<u>\$ 2,042.02</u>

(1) David Ray began employment with the city in 2016.

(2) Accounting system information was only available for 21 months of our audit period (all months of 2016; November and December 2017; January, March, April, November, and December 2018; and January and February 2019).

The 2016 information is from an accounting system register report. The remaining information is from accounting system transaction reports.