



**Nicole Galloway, CPA**

**Missouri State Auditor**

**City of Forsyth**

Report No. 2021-012

March 2021

[auditor.mo.gov](http://auditor.mo.gov)



**Nicole Galloway, CPA**  
Missouri State Auditor

# CITIZENS SUMMARY

## Findings in the audit of the City of Forsyth

Missing Money	Cash utility deposits totaling \$2,000 were received, but not deposited, and cash receipts totaling \$1,403 were stolen from the city's vault.
Untimely and Questionable Utility Deposits	Utility deposits, totaling \$6,400, were not deposited until long after activation of utility services.
Accounting Controls and Procedures	The Board did not establish adequate segregation of duties or supervisory reviews over the various financial accounting functions performed by the former Utility Clerk, City Clerk, and Finance Officer. The city's procedures for receipting, transmitting, recording, depositing, refunding, and reconciling money collected is poor. Physical controls over receipts and city keys need improvement.
Utility System Controls and Procedures	City personnel do not prepare proper reconciliations related to utility services. The city is not following its service shut off ordinance. The city does not have an ordinance regarding partial payments by customers who have delinquent accounts, and customers are allowed to make partial payments without entering into a written payment agreement and without Board approval. The city does not have adequate procedures to pursue collection of accounts receivable.
Electronic Data Security	The city has not established adequate user identification and password controls to reduce the risk of unauthorized access to the city computers and data. Effective security controls are not in place to lock computers after a certain period of inactivity. The city does not store data backup files at an off-site location.

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 Forsyth

## Table of Contents

---

---

State Auditor's Report	2
------------------------	---

---

Introduction	
Background .....	4

---

Management Advisory Report - State Auditor's Findings	
1. Missing Money .....	6
2. Untimely and Questionable Utility Deposits.....	7
3. Accounting Controls and Procedures .....	8
4. Utility System Controls and Procedures.....	12
5. Electronic Data Security .....	14

---

Organization and Statistical Information	17
---	----

---

Supporting Documentation of Missing Money and Untimely Deposits	20
<u>Appendixes</u>	
A State Auditor Subpoena - Carla Combs.....	21
B State Auditor Subpoena - Cheyenne Beasley .....	23
C State Auditor Subpoena - Angela Leist .....	25
D Undeposited Utility Deposits .....	27
E Cash Receipts Missing from Vault.....	28
F Untimely Deposits of Utility Deposits .....	29



## **NICOLE GALLOWAY, CPA**

### **Missouri State Auditor**

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

We have audited certain operations of the City of Forsyth as they relate to the city's finances in fulfillment of our duties under Chapter 29, RSMo. Due to the concerns regarding missing money and untimely deposits, the State Auditor initiated the audit with the approval of the City of Forsyth Board of Aldermen. In addition, the City of Forsyth engaged KPM CPAs & Advisors to audit the City of Forsyth financial statements for the year ended August 31, 2019. To minimize duplication of effort, we reviewed the CPA firm's audit report. The scope of our audit included, but was not necessarily limited to, the period April 1, 2018, through March 31, 2020. The objectives of our audit were to:

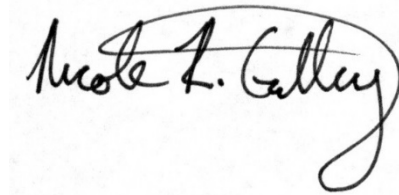
1. Evaluate the city's internal controls over significant management and financial functions.
2. Evaluate the city's compliance with certain legal provisions.
3. Evaluate the economy and efficiency of certain management practices and procedures, including certain financial transactions.
4. Determine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

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 controls that are significant within the context of the audit objectives and assessed the design and implementation of such internal controls 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) missing money totaling at least \$3,403. The accompanying Management Advisory Report presents our findings arising from our audit of the City of Forsyth.

A handwritten signature in black ink, reading "Nicole R. Galloway". The signature is fluid and cursive, with a large loop at the end of the last 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:	Pamela Allison, CPA, CFE
In-Charge Auditor:	James C. Kayser, MAcc, CFE, CGAP
Audit Staff:	Kyle D. Goodin, MAcc, CFE

---

# City of Forsyth

## Introduction

---

### Background

The former Utility Clerk, Carla Combs, began employment on September 4, 2018, and served until December 2, 2019. The City Clerk, Cheyenne Beasley, began employment on April 15, 2002, and remains employed by the city. The Finance Officer, Angela Leist, began employment on December 17, 2012, and remains employed by the city. These three employees were responsible for financial accounting functions and records of the city, including receipting, transmitting, and recording payments received, preparing and making deposits, and performing bank reconciliations as noted below.

- Receipting, transmitting, and recording - The former Utility Clerk, City Clerk, and Finance Officer collected and receipted all money collected by the city. They transmitted the money to the applicable employee responsible for recording the type of payment received. The former Utility Clerk recorded utility payments and utility deposits. New customers were required to pay a \$100 refundable utility deposit for residential and \$200 refundable utility deposit for businesses before receiving services. The former Utility Clerk also assisted the Finance Officer with recording court payments from April 2019 through November 2019. The City Clerk recorded park fees, building permits, dog licenses, and miscellaneous city receipts, and assisted the former Utility Clerk in recording utility payments and deposits.
- Depositing - The former Utility Clerk, City Clerk, and Finance Officer prepared bank deposits. The former Utility Clerk prepared the deposits for utility payments and utility deposits. The City Clerk prepared the deposits for park fees, building permits, dog licenses, and miscellaneous city receipts. The Finance Officer and the former Utility Clerk prepared the deposits for court receipts. The former Utility Clerk primarily took all deposits to the bank.
- Reconciling - The former Utility Clerk and City Clerk reconciled the daily receipt report generated from the city's electronic accounting and utility systems to deposit slips. The Finance Officer reconciled the deposit slips to the bank statements and reconciled all city bank accounts.

On October 15, 2019, city officials reported a burglary from the city's vault to the Taney County Sheriff's office. The Taney County Sheriff's office investigation determined \$1,403 of recorded cash receipts were missing from the vault. On November 27, 2019, discrepancies relating to 2 cash utility deposits were discovered by city officials and reported to the Taney County Sheriff's office on December 2, 2019. The Sheriff's investigation of the theft is ongoing.

On November 27, 2019, the Board of Aldermen voted by phone to terminate the former Utility Clerk due to poor accounting practices and inability to handle job duties. The Board reaffirmed the November 27, 2019, phone vote



---

## City of Forsyth Introduction

---

to terminate the former Utility Clerk in a Board meeting on December 4, 2019.

In December 2019, the Taney County Sheriff's office contacted the State Auditor's Office (SAO) and requested assistance in reviewing discrepancies and accounting regularities related to utility deposits and billings. The SAO conducted an initial review of these matters in January 2020, under Section 29.221, RSMo. After review of the documentation and communications provided, the SAO determined further investigation was warranted under Section 29.221, RSMo.

In January 2020, the Board sent a letter and a copy of the resolution authorizing an audit of utility deposits and billing records from September 2018 through November 2019. In March 2020, the SAO agreed to conduct this audit but advised the city that *Government Auditing Standards* may require that procedures extend beyond the scope specified in the ordinance. In March 2020, the Board accepted the change in scope of the audit suggested by the SAO, and the audit began in April 2020.

The SAO issued subpoenas to the former Utility Clerk, the City Clerk, and the Finance Officer (see Appendixes A, B, and C) to compel them to produce records and documents related to their testimonies. Appendixes A through C include redactions. These redactions are of home addresses and bank account information.

The city's fiscal year is September 1 through August 31. The scope of our audit included, but was not necessarily limited to the period April 1, 2018, through March 31, 2020. We applied procedures to city receipts, utility billings, and municipal division transactions to identify the amount of missing money and methods used to perpetrate and conceal the theft. We also obtained information, regarding the former Utility Clerk's personal bank account, from the Taney County Sheriff's office.

---

# City of Forsyth

## Management Advisory Report

### State Auditor's Findings

---

#### **1. Missing Money**

Cash utility deposits totaling \$2,000 were received, but not deposited, and cash receipts totaling \$1,403<sup>1</sup> were stolen from the city's vault. An additional \$6,400 of utility deposits were not deposited timely and appear questionable (see MAR finding number 2).

The lack of adequate controls and the absence of proper oversight, as discussed throughout this report, resulted in the missing money going undetected.

##### **Undeposited utility deposits**

Between May 2019 and November 2019, the former Utility Clerk did not deposit \$2,000 of recorded utility deposits (see Appendix D).

We compared manual receipt slips issued for utility deposits to utility deposits recorded in the utility system and to bank deposits to determine the amount of undeposited utility deposits. City records indicated the former Utility Clerk set up 20 new customers accounts and activated utility service in the utility system; however, the related utility deposits received totaling \$2,000 (\$100 each) were not recorded in the utility system or deposited. All of these utility deposits were paid in cash. Most utility deposits paid by check around the date of these cash receipts were deposited timely.

During a recorded interview with the former Utility Clerk, she indicated she was responsible for setting up new customers and activating service in the utility system, recording utility deposits in the utility system, preparing the related deposit slips, and depositing the utility deposits in the city's bank account. The former Utility Clerk also indicated in the same recorded interview that she could not explain why the utility deposits were not deposited, but felt responsible for the money.

##### **Theft from city hall**

City officials reported a theft of \$1,403 cash from the city's vault to the Taney County Sheriff's office on October 15, 2019 (see Appendix E). City officials found the vault opened with a master key,<sup>2</sup> which went missing sometime in August 2019, from the City Clerk's desk drawer (see MAR finding number 3.3). The City Clerk indicated in a recorded interview that she reported the missing key to the former Police Chief sometime in August 2019; however, city officials did not have the city hall or the vault locks changed.

The missing cash consisted of \$1,341 of municipal court receipts collected on Thursday, October 10, 2019, and a \$62 utility payment collected on Friday, October 11, 2019. The city was closed Monday, October 14, 2019, in

---

<sup>1</sup> The amount presented in the report finding is rounded to the nearest dollar. The amount presented in the report appendix is not rounded.

<sup>2</sup> The key was in the lock when the theft was found. The master key is designated with a specific number.





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

observation of Columbus Day. The city's electronic accounting system and the former Utility Clerk indicated in a recorded interview she recorded the \$1,341 of municipal court receipts in the city's electronic accounting system on Friday, October 11, 2019. The former Utility Clerk also prepared the utility payment deposit and deposit slip. During a recorded interview, the former Utility Clerk indicated that she placed the deposit bag and money drawer in the vault and was the last clerk to leave city hall on Friday, October 11, 2019.

## Recommendation

The Board of Aldermen continue to work with law enforcement officials on criminal prosecution regarding the undeposited utility deposits and stolen money; and take the necessary actions to obtain restitution.

## Auditee's Response

*The Board of Aldermen will continue to work with law enforcement officials regarding criminal prosecution and take necessary actions to obtain restitution.*

## 2. Untimely and Questionable Utility Deposits

Numerous utility deposits were not deposited until long after activation of utility services. During the period November 2, 2018, through October 16, 2019, 64 utility deposits totaling \$6,400 were deposited between 20 and more than 121 days after activation of utility services and the timing of the deposits appears questionable (see Appendix F). Eighty-eight percent (\$5,600) of these untimely and questionable utility deposits were paid in cash. During a recorded interview, the former Utility Clerk indicated her procedures included depositing utility deposits the day of activation of utility services.

The following table provides information on the 64 utility deposits not deposited until after activation of utility services:

Time Period Deposited After Utility Services Activated	Number of Utility Deposits	Total Utility Deposits	Cash Utility Deposits	Check Utility Deposits
20 to 30 days	7	\$ 700	100	600
31 to 60 days	15	1,500	1,300	200
61 to 90 days	16	1,600	1,600	0
91 to 120 days	24	2,400	2,400	0
Over 121 days	2	200	200	0
Total	64	\$ 6,400	5,600	800

When the former Utility Clerk was asked in a recorded interview, why these utility deposits were not deposited, she indicated she did not know and could not remember.

In addition, on the morning of November 27, 2019, the Finance Officer and City Clerk discovered that two utility deposits paid with cash totaling \$200, that should have been on hand, were missing from the utility deposit receipt



---

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

---

book and former Utility Clerk's desk drawer. The City Clerk indicated in a recorded interview that she asked the former Utility Clerk if the money could have fallen behind her desk and about an hour later when the desk was moved, the former Utility Clerk found one of the utility deposits behind her desk. The other \$100 utility deposit was not located at that time.

According to the City Clerk and Finance Officer, later, at approximately noon, the former Utility Clerk left city hall to go to the post office. According to the City Clerk in a recorded interview, shortly after the former Utility Clerk returned, the former Utility Clerk asked if anyone had looked in the recycle bin for the missing \$100 cash utility deposit. The City Clerk and the former Utility Clerk subsequently looked in the recycle bin, and the City Clerk discovered two \$50 bills (the other missing \$100 utility deposit). According to the City Clerk, this money appeared to have been "placed" on the side of the recycle bin and did not appear to have fallen in the recycle bin. During a recorded interview with the former Utility Clerk, auditors asked if the former Utility Clerk went to the bank on November 27, 2019, when she went to the post office, and the former Utility Clerk indicated she did not go to the bank that day. However, personal bank records of the former Utility Clerk indicate she cashed a personal check for \$100 at approximately 12 p.m. on November 27, 2019, and the bank provided her 2, \$50 bills for the withdrawal.

The untimely deposits of utility deposits and the 2 missing utility deposits identified on November 27, 2019, are questionable and give the appearance that these receipts may have been taken from the city and subsequently returned and deposited by the former Utility Clerk.

## Recommendation

The Board of Aldermen should continue to work with law enforcement officials on criminal prosecution regarding the untimely and questionable utility deposits.

## Auditee's Response

*The Board of Aldermen will continue to work with law enforcement officials regarding criminal prosecution and take necessary actions to obtain restitution.*

---

## 3. Accounting Controls and Procedures

Accounting controls and procedures need improvement. City personnel collect utility payments, utility deposits, court fines and costs, merchant licenses, building permits, dog licenses, park fees, and other miscellaneous fees. During the year ended August 31, 2019, city receipts totaled approximately \$963,000.

### 3.1 Oversight and segregation of duties

The Board did not establish adequate segregation of duties or supervisory reviews over the various financial accounting functions performed by the former Utility Clerk, City Clerk, and Finance Officer. The former Utility Clerk, City Clerk, and Finance Officer each receipted, recorded, and prepared deposits for money collected. The former Utility Clerk also made deposits.



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

Weaknesses identified throughout this report are significant and demonstrate a lack of segregation of duties and proper oversight that led to the missing money and the untimely and questionable utility deposits discussed in MAR findings number 1 and 2.

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 and variances is necessary.

### 3.2 Receipting, recording, transmitting, depositing, reconciling, and refunding

The city's procedures for receipting, transmitting, recording, depositing, refunding, and reconciling money collected is poor. During our review of city records during the period of September 1, 2018, through March 31, 2020, we identified the following concerns:

#### Receipting and recording

- Manual receipt slips were not issued for all money recorded in the computerized accounting system. City procedure has been to issue a manual receipt slip for all payments collected except for utility payments where the utility stub is used as proof of payment. The City Clerk, former Utility Clerk, and Finance Officer did not issue manual receipt slips for 75 transactions totaling \$4,203, including \$1,528 for park fees, \$1,400 for utility deposits, and \$1,275 for other miscellaneous fees.
- The City Clerk, former Utility Clerk, and the Finance Officer did not account for the numerical sequence of manual receipt slips issued for utility deposits, park fees, and dog licenses/impound fees.
- The City Clerk, former Utility Clerk, and Finance Officer did not manually receipt or record 43 deposits totaling \$133,185 into the receipting module of the computerized accounting system. The Finance Officer instead recorded these deposits in the accounting system using journal entries. Most of these deposits were for payments received by mail related to a school resource officer contract and insurance claim reimbursements.

#### Recording

- The City Clerk, former Utility Clerk, and Finance Officer did not timely record 81 transactions totaling \$7,776 in the computerized accounting system, which included court, park, miscellaneous, and utility deposit receipts. For example, a \$96 court payment receipted on January 30, 2020, was not recorded in the accounting system until February 10, 2020; a \$20 park services payment receipted on April 23, 2019, was not recorded in the accounting system until October 24, 2019; an \$80 dog impound fee receipted on October 23, 2018, was not recorded in the accounting system until February 26, 2019; and a \$100 utility deposit



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

received on February 25, 2019, was not recorded in the accounting system until April 22, 2019.

Transmitting

The City Clerk, former Utility Clerk, and Finance Officer transmitted various types of city receipts collected to each other; however, no documentation of the transmittal of this money between employees was prepared.

Depositing and reconciling

- Manual receipt slips issued for payments received are not reconciled to daily receipt reports and deposits, and utility deposits are held and not deposited until the customer's utility service is activated. As a result, as noted in MAR findings number 1 and 2, utility deposits were not deposited and some utility deposits were not deposited timely or intact.

The City Clerk indicated in a recorded interview that utility deposits are held and not deposited until utility service is activated because the computerized utility system will not allow money to be receipted on accounts not activated. However, these receipts should be deposited timely and intact regardless of the utility system's restrictions.

- Payments collected for park services, the municipal court, and other miscellaneous fees were also not deposited timely. Payments receipted, but not deposited timely included 19 for park services totaling \$1,085, 13 for the municipal court totaling \$813, and 3 for miscellaneous fees totaling \$245. For example, 3 receipts totaling \$300 receipted on September 9, 2019, were not deposited until September 25, 2019. The City Clerk indicated that because the amounts were generally small they were deposited at varying times.
- The city did not have procedures to reconcile business licenses issued and fees collected to amounts deposited. A list of business licenses issued is maintained and business licenses are prenumbered, but the list and licenses are not reconciled to fees collected and amounts deposited. Business license fees deposited totaled \$5,781 during the period September 1, 2018, through March 31, 2020.
- The city does not maintain adequate records for campground rental fees, and as a result, city officials cannot ensure all money collected is accounted for and deposited. The city deposited \$8,630 for campground rental fees during the period September 1, 2018, through March 31, 2020.

The city operates a campground site between April and October each year. Park attendants collect camp fees and the city uses a drop box for campers to make payments, when the attendants are not on duty. Park attendants transmit camp fees collected to the City Clerk, and city public works employees collect camp fees from the drop box and transmit them to the City Clerk. The city does not keep a record of camp fees collected



## City of Forsyth Management Advisory Report - State Auditor's Findings

and does not try to reconcile the camp site rental charges to the collections.

### Transmitting

Utility deposit refunds are not always made by check. Instead, if the account has not been activated, the refund is given in the manner the utility deposit was received by the customer (the customer's check, money order, or cash is returned). The city refunded 5, \$100 utility deposits during the time period reviewed.

### Conclusion

Failure to implement adequate receipting, recording, transmitting, depositing, refunding, and reconciling procedures increases the risk that loss, theft, or misuse of money will go undetected and accounting records will contain errors.

## 3.3 Physical controls

Physical controls over receipts and city keys need improvement. City officials maintain utility deposits in a receipt book stored in the former Utility Clerk's unlocked desk drawer until deposited and payments received for dog licenses, park services, and other miscellaneous fees in envelopes in the City Clerk's unlocked desk drawer. As a result, various city employees have access to the money on hand.

In addition, the City Clerk maintained a master<sup>3</sup> key to city hall in an unlocked desk drawer, and as a result, various city employees had access to the master key. As previously noted, the City Clerk reported the master key missing in August 2019, and the key was used to access the city vault in October 2019, when city receipts were stolen. City officials failed to change the locks at city hall or the vault after the key was reported missing.

To safeguard against possible loss or misuse of city funds and assets, receipts and master keys should be maintained in a secure location.

## Recommendations

The Board of Aldermen:

- 3.1 Segregate accounting duties to the extent possible and implement appropriate reviews and monitoring procedures.
- 3.2 Ensure all receipts are deposited timely and intact, receipt slips and licenses issued are reconciled to the computerized systems and deposits, all refunds are made by check, prenumbered receipt slips are issued for all payments received, all payments received are timely recorded in the computerized systems, the numerical sequence of receipt slips is accounted for, transmittals of money between

---

<sup>3</sup>The master key unlocks all exterior and interior city hall doors and the vault.



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

## Auditee's Response

- employees are documented, and adequate records of campground fees are maintained.
- 3.3 Maintain money collected and keys in a secure location and change the locks at applicable city properties when keys are lost.
- 3.1 *The city will segregate accounting duties to the extent possible and implement appropriate reviews and monitoring procedures.*
- 3.2 *Procedures have been put in place to ensure all receipts are recorded in the computerized system and deposited in a timely and intact manner; receipt slips and licenses issued are reconciled to computerized systems and bank deposits; prenumbered receipts are issued for all payments received and all refunds are made by check; the numerical sequence of receipt slips will be verified; transmittals of money between employees are initialed; and adequate records of campground fees are maintained.*
- 3.3 *Monies collected and keys are kept in a secure location. If keys are lost, locks will be changed.*

## 4. Utility System Controls and Procedures

Utility system controls and procedures need improvement. According to the city's audited financial statements, the city collected approximately \$898,000 for water, sewer, and trash service during the year ended August 31, 2019.

### 4.1 Utility reconciliations

City personnel do not prepare proper reconciliations related to utility services. The former Utility Clerk did not perform monthly reconciliations of amounts billed, payments received, and amounts unpaid for utility services. Such reconciliations are necessary to ensure accounting records balance, transactions are properly recorded, and errors or discrepancies are detected timely.

In addition, the Public Works Supervisor did not perform monthly reconciliations of total gallons of water billed to gallons of water pumped. This reconciliation is necessary to help detect significant water loss or other problems and ensure all water usage is properly billed.

### 4.2 Shut off procedures

The city is not following its service shut off ordinance. Utility bills are printed and mailed on the last business day of the month with payment due by the 20th of the following month. The Board established an ordinance to shut off water service to any customer whose bill has not been paid by the last day of the month following services rendered. However, the city does not notify customers of a service shut off until after they are delinquent for 2 billing cycles.



---

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

---

To help maximize utility revenues, procedures should be developed to ensure utility service is shut off in accordance with city ordinances. If the Board intends for current practices to continue, ordinances should be revised.

#### 4.3 Partial payments

The city does not have an ordinance regarding partial payments by customers who have delinquent accounts, and customers are allowed to make partial payments without entering into a written payment agreement and without Board approval. Currently, if an account is delinquent, and scheduled for shut off, the city allows payment of the past due portion or half of the total bill due to prevent the shut off.

An ordinance is necessary to establish and document the process to determine when payment agreements are allowed, how the payment amount is to be established, and the approval process for these arrangements. In addition, a signed written payment agreement is necessary to indicate the intent of the customer to pay the outstanding balance and to aid in accounting for and collection of amounts due.

#### 4.4 Accounts receivable procedures

The city does not have adequate procedures to pursue collection of accounts receivable. City officials do not pursue collection of accounts more than 90 days past due. As of January 21, 2021, the city's utility billing trial balance report indicated accounts with balances more than 90 days past due totaled \$48,058.

According to the Finance Officer, many of these old accounts belonged to renters making it difficult to collect. In addition, the Board does not adequately monitor accounts receivable and determine which accounts are uncollectible. The city has not written off bad debts since 2013, and does not have written policies for either the collection or write off of old accounts.

The city should use all available means to collect amounts owed from tenants of these properties. Good business practices require establishment of adequate collection procedures to ensure accounts are collected timely and bad debts are kept to a minimum. To ensure revenues of the utility system are maximized, the city should start holding property owners liable for outstanding accounts, when applicable.

### Recommendations

The Board of Aldermen:

- 4.1 Ensure monthly reconciliations are performed of amounts billed to amounts collected and delinquent accounts, and of gallons of water billed to gallons pumped, and significant differences are investigated.
- 4.2 Ensure utility accounts are shut off in accordance with the established city ordinance or modify the ordinance to current practices.



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

- 4.3 Discontinue allowing collection of partial payments or establish an ordinance outlining the procedures allowing customers to make partial payments. Ensure the procedures include preparation of a written payment agreement with each customer making partial payments.
- 4.4 Periodically review detailed accounts receivable records and take action to collect on delinquent accounts. The Board should establish written policies and procedures for the collection and writing off of accounts receivable, ensuring the factors considered for each decision are retained and each written off balance is approved and verified by a person independent of the transactions.

## Auditee's Response

- 4.1 *Procedures have been put in place to reconcile amounts billed to amounts collected and delinquent accounts, gallons of water billed to gallons pumped, and investigate significant differences.*
- 4.2 *City ordinances will be modified to reflect shut off practices as ordered by the Board of Aldermen.*
- 4.3 *The Board of Aldermen will establish a partial utility bill payment program and ordinance and establish written payment agreements with each customer allowed to make partial payments.*
- 4.4 *The Board of Aldermen will adopt a written bad debt collection and account write-off policy. The Board will review delinquent accounts annually and approve the write-off of any accounts deemed uncollectible under the policy.*

## 5. Electronic Data Security

Controls over the city computers are not sufficient. As a result, city records are not adequately protected and are susceptible to unauthorized access or loss of data.

### 5.1 User identification and passwords

The city has not established adequate user identification and password controls to reduce the risk of unauthorized access to the city computers and data. The City Clerk, current Utility Clerk, and Finance Officer share computers in the office and do not log off and log back on with their unique user identification and password when using the accounting and utility systems at another employee's computer. The City Clerk, former Utility Clerk, and Finance Officer also shared computers during the former Utility Clerk's employment. As a result, there is no assurance that the user listed in the system for posting a transaction is the person who did it. In addition, these officials are not required to change passwords periodically.

While a user identification and password are required to authenticate access, the security of these logon credentials is dependent on keeping them





---

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

---

confidential and requiring users to enter their unique user identification and password when switching users. Allowing certain users to share computers without logging off and back on with their unique user identification and password, and not requiring passwords to be periodically changed, increases the risk of unauthorized access and/or changes to the system and records, and reduces assurance that access is limited to only those individuals who need access to perform their job responsibilities. User identifications should be unique and confidential and changed periodically to reduce the risk of a compromised password and unauthorized access to and use of the city computers and data.

## 5.2 Security controls

Effective security controls are not in place to lock computers after a certain period of inactivity. In recorded interviews, the Finance Officer stated her computer locks after about 2 hours, and the City Clerk stated her computer locks after about 30 to 40 minutes. Neither employee locks their computer when they leave the room.

Inactivity controls are necessary to reduce the risk of unauthorized individuals accessing an unattended computer and having potentially unrestricted access to programs and data files. The extended period before the computers lock and the failure to lock computers when they are left unattended along with the routine shared use of computers increased the risk of unauthorized access. Without effective security controls, there is an increased risk of unauthorized access to computers and the unauthorized use, modification, or destruction of data.

## 5.3 Data backup

The city does not store data backup files at an off-site location. Off-site storage would provide reasonable assurance data could be recovered if necessary. To help prevent loss of information and ensure all essential information and computer systems can be recovered, backup files should be stored at a secure, off-site location.

## Recommendations

The Board of Aldermen:

- 5.1 Require employees use their unique user identification and password when using the accounting and utility systems, and they change those passwords periodically, to help prevent unauthorized access to the city computers and data.
- 5.2 Require each computer to have an effective security control in place to lock it after a certain period of inactivity.
- 5.3 Ensure backup files are stored at a secure, off-site location.



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

---

**Auditee's Response**

- 5.1 *Procedures regarding the security of user identification and password have been implemented. Additionally, the accounting software vendor has upgraded user security controls.*
- 5.2 *Inactivity locks have been put in place.*
- 5.3 *Software updates in the last year have automated the off-site backup process. Backups are stored remotely on a nightly basis.*

---

# City of Forsyth

## Organization and Statistical Information

---

The City of Forsyth is located in Taney County. The city was incorporated in 1928 and is currently a fourth-class city. The city employed 18 full-time employees and 3 part-time employee on March 31, 2020.

City operations include fire and law enforcement services, utilities (water, sewer, and trash), street maintenance, building inspection, and park services.

### Mayor and Board of Aldermen

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 March 31, 2020, are identified below. The Mayor and the Board of Aldermen members receive no compensation for their service.

Kelly Doughery, Mayor  
Larry Moehl, Alderman  
Greg Doughery, Alderman  
Cheryl Altis, Alderwoman  
Jack Baker, Alderman

### Financial Activity

A summary of the city's financial activity obtained from the city's audited financial statement report for the year ended August 31, 2019, follows:



City of Forsyth  
Organization and Statistical Information

**City of Forsyth**

Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds

Year Ended August 31, 2019

	General Fund	Special Revenue Fund Capital Improvement Fund	Total Governmental Funds
<b>Revenues</b>			
Taxes	\$ 963,676	\$ 173,025	\$ 1,136,701
Licenses and permits	11,757	-	11,757
Intergovernmental revenues	44,889	-	44,889
Charges for services	9,375	-	9,375
Fines and forfeitures	43,794	-	43,794
Miscellaneous	42,897	8,568	51,465
<b>Total Revenues</b>	<b>1,116,388</b>	<b>181,593</b>	<b>1,297,981</b>
<b>Expenditures</b>			
Current			
Administration	76,354	-	76,354
Police	422,663	-	422,663
Fire	151,542	-	151,542
Parks	157,796	-	157,796
Street	110,282	-	110,282
Building	47,835	-	47,835
Debt service			
Principal, interest and fees	-	83,350	83,350
<b>Total Expenditures</b>	<b>966,472</b>	<b>83,350</b>	<b>1,049,822</b>
<i>Excess of Revenues over Expenditures</i>	149,916	98,243	248,159
<b>Other Financing Sources</b>			
Operating transfers in	10,937	-	10,937
<i>Excess of Revenues and Other Sources Over Expenditures</i>	160,853	98,243	259,096
Fund Balance, September 1	1,029,551	419,117	1,448,668
<b>Fund Balance, August 31</b>	<b>\$ 1,190,404</b>	<b>\$ 517,360</b>	<b>\$ 1,707,764</b>

See accompanying notes to the financial statements.



City of Forsyth  
Organization and Statistical Information

**City of Forsyth**

Statement of Revenues, Expenses and Changes in Net Position – Proprietary Fund

Year Ended August 31, 2019

	<u>Enterprise Fund</u> <u>Water and</u> <u>Sewer Fund</u>
<b>Operating Revenues</b>	
Charges for services	
Water	\$ 450,618
Sewer	446,916
<b>Total Operating Revenues</b>	<u>897,534</u>
<b>Operating Expenses</b>	
Salaries and benefits	521,716
Legal and professional	3,000
Utilities	117,388
Gas and oil	7,393
Telephone	5,154
Maintenance	70,066
Supplies	19,210
Insurance	23,558
Depreciation	369,181
Travel, meetings, and dues	2,239
Support contracts	12,067
Engineering	22,531
<b>Total Operating Expenses</b>	<u>1,173,503</u>
<i>Operating (Loss)</i>	(275,969)
<b>Nonoperating Revenues (Expenses)</b>	
Interest income	25,592
Interest expense	(40,404)
<b>Total Nonoperating Revenues (Expenses)</b>	<u>(14,812)</u>
<i>(Loss) Before Operating Transfers</i>	(290,781)
<b>Operating Transfers (Out)</b>	<u>(10,937)</u>
<i>Net (Loss)</i>	(301,718)
Net Position, September 1	7,141,161
<b>Net Position, August 31</b>	<u>\$ 6,839,443</u>

See accompanying notes to the financial statements.

---

## City of Forsyth

# Supporting Documentation of Missing Money and Untimely Deposits

---

The following appendixes provide supporting documentation for the missing money, untimely deposits, and subpoenas issued as discussed in MAR findings number 1 and 2 and are summarized in the following table.

Appendix	Type of Supporting Documentation
A	State Auditor Subpoena - Carla Combs
B	State Auditor Subpoena - Cheyenne Beasley
C	State Auditor Subpoena - Angela Leist
D	Undeposited Utility Deposits
E	Cash Receipts Missing from Vault
F	Untimely Deposits of Utility Deposits



Address and bank account numbers have  
been redacted.

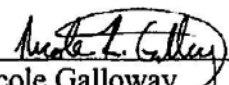


**OFFICE OF MISSOURI STATE AUDITOR**  
**SUBPOENA**

**To: Carla Combs**  
[Redacted]  
[Redacted]

YOU ARE COMMANDED AND REQUIRED to appear  
personally before the State Auditor or her representative(s) at the  
Masonic Lodge, 100 Chiefs Court, Branson, MO 65616, at 10:00 a.m.  
on October 15, 2020, for purposes of providing testimony and producing  
for examination, copying, and interrogation the records and documents  
listed on Exhibit A attached to this Subpoena.

ISSUED this 25th day of September, 2020, pursuant to Section  
29.235.4(1), RSMo.

  
Nicole Galloway  
Missouri State Auditor

I served the foregoing subpoena by hand delivery on this 5th  
day of October, 2020.





## OFFICE OF MISSOURI STATE AUDITOR

### EXHIBIT A

You are to preserve for production and inspection, and then appear as instructed on the attached subpoena and produce for inspection and examination, the following items in your possession or under your control:

All documents or other records, in whatever form, whether hard copy or electronic, pertaining or belonging to the City of Forsyth.

This request includes, but is not limited to, the following:

- Records related to Branson Bank accounts (including, but not limited to, account numbers [REDACTED] and [REDACTED];
- Any and all payroll records, timesheets, invoices, financial statements, board minutes, or any other City of Forsyth board records.

This request for records includes all materials that exist in paper ("hard copy") or electronic form (including but not limited to records and data maintained on computers, 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.





Address and bank account numbers have been redacted.

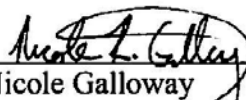


**OFFICE OF MISSOURI STATE AUDITOR**  
**SUBPOENA**

**To: Cheyenne Beasley**  
[Redacted]  
[Redacted]

YOU ARE COMMANDED AND REQUIRED to appear personally before the State Auditor or her representative(s) at the City of Forsyth City Hall, 15405 US-160, Forsyth, MO 65653, at 1:00 p.m. on October 5, 2020, for purposes of providing testimony and producing for examination, copying, and interrogation the records and documents listed on Exhibit A attached to this Subpoena.

ISSUED this 16th day of September, 2020, pursuant to Section 29.235.4(1), RSMo.

  
\_\_\_\_\_  
Nicole Galloway  
Missouri State Auditor

I served the foregoing subpoena by hand delivery on this 22nd day of September, 2020.

  
\_\_\_\_\_



## OFFICE OF MISSOURI STATE AUDITOR

### EXHIBIT A

You are to preserve for production and inspection, and then appear as instructed on the attached subpoena and produce for inspection and examination, the following items in your possession or under your control:

All documents or other records, in whatever form, whether hard copy or electronic, pertaining or belonging to the City of Forsyth.

This request includes, but is not limited to, the following:

- Records related to Branson Bank accounts (including, but not limited to, account numbers [REDACTED] and [REDACTED];
- Any and all payroll records, timesheets, invoices, financial statements, board minutes, or any other City of Forsyth board records.

This request for records includes all materials that exist in paper ("hard copy") or electronic form (including but not limited to records and data maintained on computers, 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.



Address and bank account numbers have been redacted.



**OFFICE OF MISSOURI STATE AUDITOR**

**SUBPOENA**


**To: Angela Leist**  
[Redacted]  
[Redacted]

YOU ARE COMMANDED AND REQUIRED to appear personally before the State Auditor or her representative(s) at the City of Forsyth City Hall, 15405 US-160, Forsyth, MO 65653, at 1:30 p.m. on October 5, 2020, for purposes of providing testimony and producing for examination, copying, and interrogation the records and documents listed on Exhibit A attached to this Subpoena.

ISSUED this 16th day of September, 2020, pursuant to Section 29.235.4(1), RSMo.

  
\_\_\_\_\_  
Nicole Galloway  
Missouri State Auditor

I served the foregoing subpoena by hand delivery on this 22nd day of September, 2020.

  
\_\_\_\_\_  
Paula Lee



## OFFICE OF MISSOURI STATE AUDITOR

### EXHIBIT A

You are to preserve for production and inspection, and then appear as instructed on the attached subpoena and produce for inspection and examination, the following items in your possession or under your control:

All documents or other records, in whatever form, whether hard copy or electronic, pertaining or belonging to the City of Forsyth.

This request includes, but is not limited to, the following:

- Records related to Branson Bank accounts (including, but not limited to, account numbers [REDACTED] and [REDACTED];
- Any and all payroll records, timesheets, invoices, financial statements, board minutes, or any other City of Forsyth board records.

This request for records includes all materials that exist in paper ("hard copy") or electronic form (including but not limited to records and data maintained on computers, 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 D  
City of Forsyth  
Undeposited Utility Deposits

Manual Receipt Slip Number	Receipt Date	Method of Payment	Amount	City Employee that Issued Manual Receipt	Utility Service Activation Date (1)
418672	05/06/2019	Cash	\$ 100.00	City Clerk	05/15/2019
418728	08/07/2019	Cash	100.00	Finance Officer	09/15/2019
418740	08/27/2019	Cash	100.00	Former Utility Clerk	08/15/2019 (2)
418741	08/28/2019 (3)	Cash	100.00	Finance Officer	09/15/2019
418746	09/03/2019	Cash	100.00	City Clerk	09/15/2019
418747	09/06/2019	Cash	100.00	City Clerk	09/15/2019
418748	09/06/2019	Cash	100.00	City Clerk	09/15/2019
418751	09/09/2019	Cash	100.00	City Clerk	09/15/2019
418757	10/01/2019	Cash	100.00	Former Utility Clerk	10/15/2019
418758	10/03/2019	Cash	100.00	City Clerk	10/15/2019
418759	10/03/2019	Cash	100.00	City Clerk	10/15/2019
418761	10/07/2019	Cash	100.00	City Clerk	10/15/2019
418762	10/07/2019	Cash	100.00	City Clerk	10/15/2019
418763	10/07/2019	Cash	100.00	Former Utility Clerk	10/15/2019
418764	10/08/2019	Cash	100.00	City Clerk	10/15/2019
418768	10/23/2019	Cash	100.00	City Clerk	11/15/2019
418770	10/28/2019	Cash	100.00	City Clerk	11/15/2019
418773	11/07/2019	Cash	100.00	City Clerk	11/15/2019
418774	11/08/2019	Cash (4)	100.00	City Clerk	11/27/2019
418775	11/14/2019	Cash	100.00	Former Utility Clerk	11/15/2019
Total Undeposited Receipts			\$ <u>2,000.00</u>		

(1) During recorded interviews, the City Clerk and Former Utility Clerk indicated the Former Utility Clerk was responsible for activating utility service, and subsequently recording and depositing utility deposits.

(2) If a utility deposit is paid after utility services have been provided, it is city policy to back date the utility service activation date to when services started being provided.

(3) The date on the receipt was not clear and the receipt may be dated August 25, 2019, or August 28, 2019.

(4) The method of payment recorded on this manual receipt slip indicated it was a check; however, the utility customer indicated to city officials he/she paid with cash.

Appendix E  
City of Forsyth  
Cash Receipts Missing from Vault

Manual Receipt Slip Number	Manual Receipt Slip Date	Method of Payment	Type of Receipt	Amount	City Employee that Issued Manual Receipt	Accounting System Receipt Number	Accounting System Receipt Date	City Employee that Recorded in Accounting System (1)
(2)	(2)	Cash	Utility	\$ 61.52	(2)	110794	10/11/2019	City Clerk
288641	10/10/2019	Cash	Municipal Court	107.00	City Clerk	110808	10/11/2019	Former Utility Clerk
288642	10/10/2019	Cash	Municipal Court	25.00	City Clerk	110809	10/11/2019	Former Utility Clerk
288643	10/10/2019	Cash	Municipal Court	61.00	Former Utility Clerk	110810	10/11/2019	Former Utility Clerk
288644	10/10/2019	Cash	Municipal Court	51.00	City Clerk	110811	10/11/2019	Former Utility Clerk
288645	10/10/2019	Cash	Municipal Court	51.00	Finance Officer	110812	10/11/2019	Former Utility Clerk
288647	10/10/2019	Cash	Municipal Court	50.00	Former Utility Clerk	110813	10/11/2019	Former Utility Clerk
288649	10/10/2019	Cash	Municipal Court	19.00	Finance Officer	110815	10/11/2019	Former Utility Clerk
288650	10/10/2019	Cash	Municipal Court	25.50	Finance Officer	110816	10/11/2019	Former Utility Clerk
288651	10/10/2019	Cash	Municipal Court	50.00	Finance Officer	110817	10/11/2019	Former Utility Clerk
288652	10/10/2019	Cash	Municipal Court	82.00	Finance Officer	110818	10/11/2019	Former Utility Clerk
288653	10/10/2019	Cash	Municipal Court	116.00	Finance Officer	110819	10/11/2019	Former Utility Clerk
288654	10/10/2019	Cash	Municipal Court	50.00	Finance Officer	110820	10/11/2019	Former Utility Clerk
288655	10/10/2019	Cash	Municipal Court	50.00	Finance Officer	110821	10/11/2019	Former Utility Clerk
288656	10/10/2019	Cash	Municipal Court	51.00	Finance Officer	110822	10/11/2019	Former Utility Clerk
288657	10/10/2019	Cash	Municipal Court	175.00	Finance Officer	110823	10/11/2019	Former Utility Clerk
288658	10/10/2019	Cash	Municipal Court	100.00	Finance Officer	110824	10/11/2019	Former Utility Clerk
288659	10/10/2019	Cash	Municipal Court	25.50	Finance Officer	110825	10/11/2019	Former Utility Clerk
288660	10/10/2019	Cash	Municipal Court	151.00	Finance Officer	110826	10/11/2019	Former Utility Clerk
288661	10/10/2019	Cash	Municipal Court	61.00	Finance Officer	110827	10/11/2019	Former Utility Clerk
288662	10/10/2019	Cash	Municipal Court	40.00	Finance Officer	110797	10/11/2019	Former Utility Clerk
				\$ <u>1,402.52</u>	Total			

(1) Based on the initials of the employee logged into the accounting system at the time of receipt, which is recorded in the system. However, because computers were shared by the former Utility Clerk, City Clerk, and Finance Officer, there is no assurance the user listed was the user that posted the transaction.

(2) A manual receipt slip was not issued for this payment. The payment was recorded in the accounting system, but was not deposited.

Appendix F  
City of Forsyth  
Untimely Deposits of Utility Deposits

Manual Receipt Slip Number	Manual Receipt Slip Date	Method of Payment	Amount	City Employee that Issued Manual Receipt	Utility System Receipt Number	Utility System Receipt Date	City Employee that Recorded in Accounting System (1)	Utility Service Activation Date (2)	Deposit Date	Days Between Manual Receipt Slip and Deposit Dates	Days Between Utility Service Activation and Deposit Dates (3)
418591	11/02/2018	Cash	\$ 100.00	(4)	103206	03/08/2019	Former Utility Clerk	11/15/2018	03/11/2019	129	116
418595	11/06/2018	Cash	100.00	Former Utility Clerk	102909	02/27/2019	Former Utility Clerk	11/15/2018	02/28/2019	114	105
418600	11/13/2018	Cash	100.00	City Clerk	103207	03/08/2019	Former Utility Clerk	11/15/2018	03/11/2019	118	116
418603	11/15/2018	Cash	100.00	Former Utility Clerk	103689	03/19/2019	Former Utility Clerk	11/15/2018	03/20/2019	125	125
418610	11/26/2018	Cash	100.00	City Clerk	103690	03/19/2019	Former Utility Clerk	11/30/2018	03/20/2019	114	110
418611	11/30/2018	Cash	100.00	Former Utility Clerk	103691	03/19/2019	Former Utility Clerk	11/30/2018	03/20/2019	110	110
418614	12/11/2018	Cash	100.00	City Clerk	103693	03/19/2019	Former Utility Clerk	12/15/2018	03/20/2019	99	95
Total 2018			700.00								
418616	01/03/2019	Cash	100.00	Former Utility Clerk	103694	03/19/2019	Former Utility Clerk	01/15/2019	03/20/2019	76	64
418619	01/14/2019	Check	100.00	Former Utility Clerk	103203	03/08/2019	Former Utility Clerk	02/15/2019	03/11/2019	56	24
418620	01/14/2019	Cash	100.00	Former Utility Clerk	103993	03/27/2019	Former Utility Clerk	01/15/2019	03/28/2019	73	72
418622	01/31/2019	Cash	100.00	City Clerk	103994	03/27/2019	Former Utility Clerk	02/15/2019	03/28/2019	56	41
418632	02/25/2019	Cash	100.00	Former Utility Clerk	104985	04/22/2019	Former Utility Clerk	02/15/2019	04/23/2019	57	67
418633	02/26/2019	Cash	100.00	City Clerk	104986	04/22/2019	Former Utility Clerk	03/15/2019	04/23/2019	56	39
418636	03/06/2019	Cash	100.00	City Clerk	104989	04/22/2019	Former Utility Clerk	03/15/2019	04/23/2019	48	39
418640	03/11/2019	Cash	100.00	Finance Officer	106079	05/22/2019	Former Utility Clerk	03/15/2019	05/23/2019	73	69
418641	03/12/2019	Cash	100.00	Former Utility Clerk	104987	04/22/2019	Former Utility Clerk	03/15/2019	04/23/2019	42	39
418642	03/13/2019	Cash	100.00	Finance Officer	104988	04/22/2019	Former Utility Clerk	03/15/2019	04/23/2019	41	39
418643	03/14/2019	Cash	100.00	Finance Officer	106084	05/22/2019	Former Utility Clerk	03/15/2019	05/23/2019	70	69
418645	03/18/2019	Cash	100.00	City Clerk	106082	05/22/2019	Former Utility Clerk	03/15/2019	05/23/2019	66	69
418651	03/22/2019	Cash	100.00	Finance Officer	106085	05/22/2019	Former Utility Clerk	03/15/2019	05/23/2019	62	69
418654	03/26/2019	Cash	100.00	Former Utility Clerk	106086	05/22/2019	Former Utility Clerk	03/15/2019	05/23/2019	58	69
418657	04/09/2019	Cash	100.00	City Clerk	106087	05/22/2019	Former Utility Clerk	04/15/2019	05/23/2019	44	38
418659	04/10/2019	Cash	100.00	Former Utility Clerk	106569	06/10/2019	Former Utility Clerk	04/15/2019	06/11/2019	62	57
418661	04/12/2019	Cash	100.00	City Clerk	106088	05/22/2019	Former Utility Clerk	04/15/2019	05/23/2019	41	38
418662	04/15/2019	Cash	100.00	City Clerk	106089	05/22/2019	Former Utility Clerk	04/15/2019	05/23/2019	38	38
418663	04/15/2019	Cash	100.00	City Clerk	106568	06/10/2019	Former Utility Clerk	04/15/2019	06/11/2019	57	57
418666	04/23/2019	Cash	100.00	Former Utility Clerk	107699	07/09/2019	Former Utility Clerk	05/15/2019	07/10/2019	78	56
418668	04/24/2019	Cash	100.00	Finance Officer	107700	07/09/2019	Former Utility Clerk	05/15/2019	07/10/2019	77	56
418673	05/10/2019	Cash	100.00	City Clerk	107698	07/09/2019	Former Utility Clerk	05/10/2019	07/10/2019	61	61
418674	05/13/2019	Cash	100.00	City Clerk	108602	08/07/2019	Former Utility Clerk	05/15/2019	08/08/2019	87	85

Appendix F  
City of Forsyth  
Untimely Deposits of Utility Deposits

Manual Receipt Slip Number	Manual Receipt Slip Date	Method of Payment	Amount	City Employee that Issued Manual Receipt	Utility System Receipt Number	Utility System Receipt Date	City Employee that Recorded in Accounting System (1)	Utility Service Activation Date (2)	Deposit Date	Days Between Manual Receipt Slip and Deposit Dates	Days Between Utility Service Activation and Deposit Dates (3)
418678	05/15/2019	Cash	100.00	City Clerk	109726	09/10/2019	Former Utility Clerk	05/15/2019	09/11/2019	119	119
418679	05/16/2019	Check	100.00	City Clerk	106567	06/10/2019	Former Utility Clerk	05/13/2019	06/11/2019	26	29
418681	05/17/2019	Cash	100.00	City Clerk	109727	09/10/2019	Former Utility Clerk	05/15/2019	09/11/2019	117	119
418683	05/17/2019	Cash	100.00	Finance Officer	109732	09/10/2019	Former Utility Clerk	05/15/2019	09/11/2019	117	119
418684	05/20/2019	Cash	100.00	Former Utility Clerk	109736	09/10/2019	Former Utility Clerk	05/24/2019	09/11/2019	114	110
418686	05/22/2019	Cash	100.00	City Clerk	109739	09/10/2019	Former Utility Clerk	06/07/2019	09/11/2019	112	96
418688	05/24/2019	Cash	100.00	City Clerk	109738	09/10/2019	Former Utility Clerk	05/24/2019	09/11/2019	110	110
418690	05/30/2019	Cash	100.00	City Clerk	110462	10/03/2019	Former Utility Clerk	05/30/2019	10/04/2019	127	127
418696	06/10/2019	Cash	100.00	City Clerk	110463	10/03/2019	Former Utility Clerk	06/10/2019	10/04/2019	116	116
418698	06/11/2019	Cash	100.00	City Clerk	110998	10/16/2019	Former Utility Clerk	07/15/2019	10/16/2019	127	93
418699	06/12/2019	Cash	100.00	City Clerk	110578	10/07/2019	Former Utility Clerk	06/30/2019	10/08/2019	118	100
418700	06/13/2019	Cash	100.00	City Clerk	110580	10/07/2019	Former Utility Clerk	06/15/2019	10/08/2019	117	115
418701	06/14/2019	Cash	100.00	City Clerk	110464	10/03/2019	Former Utility Clerk	06/15/2019	10/04/2019	112	111
418707	06/27/2019	Cash	100.00	City Clerk	110579	10/07/2019	Former Utility Clerk	06/30/2019	10/08/2019	103	100
418708	06/28/2019	Cash	100.00	Finance Officer	110995	10/16/2019	Former Utility Clerk	06/30/2019	10/16/2019	110	108
418709	07/02/2019	Cash	100.00	City Clerk	110996	10/16/2019	Former Utility Clerk	07/02/2019	10/16/2019	106	106
418711	07/09/2019	Cash	100.00	City Clerk	111000	10/16/2019	Former Utility Clerk	07/15/2019	10/16/2019	99	93
418712	07/09/2019	Cash	100.00	City Clerk	110997	10/16/2019	Former Utility Clerk	07/15/2019	10/16/2019	99	93
418714	07/15/2019	Cash	100.00	City Clerk	109981	09/17/2019	Former Utility Clerk	07/15/2019	09/18/2019	65	65
418716	07/19/2019	Cash	100.00	City Clerk	110999	10/16/2019	Former Utility Clerk	07/15/2019	10/16/2019	89	93
418717	07/22/2019	Cash	100.00	City Clerk	111001	10/16/2019	Former Utility Clerk	07/15/2019	10/16/2019	86	93
418719	07/26/2019	Cash	100.00	City Clerk	111285	10/23/2019	Former Utility Clerk	08/15/2019	10/23/2019	89	69
418722	07/31/2019	Cash	100.00	Finance Officer	111002	10/16/2019	Former Utility Clerk	08/15/2019	10/16/2019	77	62
418729	08/08/2019	Cash	100.00	City Clerk	111291	10/23/2019	Former Utility Clerk	08/15/2019	10/23/2019	76	69
418732	08/12/2019	Cash	100.00	City Clerk	111288	10/23/2019	Former Utility Clerk	08/15/2019	10/23/2019	72	69
418739	08/23/2019	Cash	100.00	Former Utility Clerk	111290	10/23/2019	Former Utility Clerk	08/15/2019	10/23/2019	61	69
418750	09/09/2019	Check	100.00	City Clerk	111656	11/07/2019	Former Utility Clerk	10/15/2019	11/07/2019	59	23
418753	09/16/2019	Check	100.00	Former Utility Clerk	111289	10/23/2019	Former Utility Clerk	09/15/2019	10/23/2019	37	38
418754	09/16/2019	Cash	100.00	City Clerk	111282	10/23/2019	Former Utility Clerk	09/15/2019	10/23/2019	37	38
418755	09/17/2019	Check	100.00	City Clerk	111286	10/23/2019	Former Utility Clerk	09/15/2019	10/23/2019	36	38
418756	10/01/2019	Cash	100.00	City Clerk	111652	11/07/2019	Former Utility Clerk	10/15/2019	11/07/2019	37	23



Appendix F  
City of Forsyth  
Untimely Deposits of Utility Deposits

Manual Receipt Slip Number	Manual Receipt Slip Date	Method of Payment	Amount	City Employee that Issued Manual Receipt	Utility System Receipt Number	Utility System Receipt Date	City Employee that Recorded in Accounting System (1)	Utility Service Activation Date (2)	Deposit Date	Days Between Manual Receipt Slip and Deposit Dates	Days Between Utility Service Activation and Deposit Dates (3)
418760	10/03/2019	Check	100.00	Finance Officer	111659	11/07/2019	Former Utility Clerk	10/15/2019	11/07/2019	35	23
418765	10/10/2019	Check	100.00	City Clerk	111655	11/07/2019	Former Utility Clerk	10/15/2019	11/07/2019	28	23
418767	10/16/2019	Check	100.00	Finance Officer	111654	11/07/2019	Former Utility Clerk	10/15/2019	11/07/2019	22	23
Total 2019			<u>5,700.00</u>								
Total of Untimely Deposits \$			<u><u>6,400.00</u></u>								

- (1) Based on the initials of the employee logged into the accounting system at the time of receipt, which is recorded in the system. However, because computers were shared by the former Utility Clerk, City Clerk, and Finance Officer, there is no assurance the user listed was the user that posted the transaction.
- (2) During recorded interviews, the City Clerk and former Utility Clerk indicated the former Utility Clerk was responsible for activating utility service.
- (3) City procedures included holding utility deposits for deposit until the date utility service was activated.
- (4) The former Utility Clerk that preceded Carla Combs in the position receipted this money.