



# SCOTT FITZPATRICK

## MISSOURI STATE AUDITOR

March 4, 2026

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

This letter communicates the results of our review of utility receipt and deposit handling by the former Mayor and City Clerk. This review was initiated based on concerns from city residents and officials communicated during our follow-up review of the city. The objectives of our review were to evaluate the city's internal controls over the handling of utility receipts and deposits and determine the extent of money missing from the city during the period June 2023 through April 2024. The *Follow-Up Report on Audit Findings City of Fairview*, report number 2024-047, was issued in July 2024.

### **Methodology**

Our methodology included obtaining an understanding of procedures related to the handling of customer utility payments and deposits; reviewing utility receipt and deposit records, and other pertinent documents; interviewing former and current city personnel; and testing selected transactions. We conducted a recorded interview with the former Mayor on October 9, 2024.

### **Background**

The Former Mayor, Peter "PJ" Janis, took office in April 2023 and served as Mayor until April 2024. As of April 2023, the city also employed a City Clerk and Treasurer. The City Clerk and Treasurer were responsible for the daily duties of receiving and recording receipts and preparing and making deposits. They were also responsible for preparing utility bills, posting payments in the utility system, making adjustments in the utility system, and monitoring delinquent utility accounts. The City Clerk and Treasurer resigned on June 12, 2023, because they were concerned about a missing deposit from June 5, 2023, and additional missing receipts from June 7 and 8, 2023. City officials indicated the office was closed on those days because the City Clerk and Treasurer were attending training, but the former Mayor opened City Hall.

Upon the resignation of the City Clerk and Treasurer, the former Mayor took over the financial duties and completed all financial functions for the city for approximately 6 weeks. The city then hired a City Clerk at the end of July 2023. The former Mayor also hired his girlfriend, Chelsea Dick, as an additional City Clerk, and she worked for the city from July 2023 until December 2023. The clerks performed the daily duties of receiving and recording customer payments, issuing receipts to customers, posting payments in the utility system, and preparing deposits. The former Mayor received and recorded customer payments when the clerks were not available. The former Mayor and former City Clerk Chelsea Dick were responsible

for making deposits. In April 2024, the former Mayor's term ended, and he was replaced by the current Mayor.

In May 2024, city officials contacted the State Auditor's Office Whistleblower Hotline indicating they discovered money was missing after performing a review of utility records. This review was initiated after a utility customer indicated his payment (paid by check) had not cleared the bank. Our review of the same records supported the city officials' conclusions. The current Mayor then contacted the former Mayor and requested that he return any payments still in his possession.

**Identified Deficiencies**

**1. Missing Money**

From June 2023 through April 2024, at least \$10,314 in cash was received and recorded in the city's accounting system and/or manual receipt books, but not deposited. In total, \$23,723 in cash was received but only \$13,409 was deposited. This missing \$10,314 was receipted during the period the former Mayor was responsible for overseeing the city's financial functions, and he and his girlfriend were responsible for making deposits. The missing money represents over 43% of utility payments made with cash during the 11-month period. We also noted some payments were deposited with no associated receipt slip or record in the city's accounting system. Therefore, additional money may have been received but not receipted, recorded, or deposited, resulting in possible additional missing money.

To determine the amount of money missing, we calculated the amount of cash that was recorded in the city's accounting records, and compared it to the amount of cash that was deposited into the city's bank account from June 2023 through April 2024, as shown by bank records.

The missing money is listed below.

Month	Cash Received, as Shown by City Records	Cash Deposited	Missing Money
June 2023	\$ 1,705.31	1,333.90	371.41
July 2023	1,338.75	348.21	990.54
August 2023	2,387.85	1,353.96	1,033.89
September 2023	2,069.24	1,459.60	609.64
October 2023	3,067.36	1,797.23	1,270.13
November 2023	2,372.16	1,882.89	489.27
December 2023	1,619.94	799.40	820.54
January 2024	1,887.11	355.00	1,532.11
February 2024	2,625.98	1,463.66	1,162.32
March 2024	2,284.23	1,110.09	1,174.14
April 2024	2,365.64	1,505.40	860.24
Total	\$ 23,723.57	13,409.34	10,314.23

In addition to undeposited cash, we noted 36 payments erroneously deposited into the General Account instead of the utility account, totaling \$2,596.

We discussed the missing money in a recorded interview with the former Mayor. When asked if he felt responsible for the money missing because he was Mayor at the time this all took place, the former Mayor

stated "Well yeah. . . I mean if. . . I mean that makes it look. . . horrible on my end." The former Mayor did not provide an explanation for what happened to the missing money, but stated "I'll take responsibility for it." When asked if he would be willing to pay the city back for the missing money, he stated that he would be willing to do so, and would be willing to make monthly payments for however long it takes, because "either way I'm responsible for it." The former Mayor wrote out and signed a statement indicating, "I Peter Janis former Mayor of Fairview Mo, will take full responsibility for any and all missing funds from city water account, in the amount of \$10,358.03."<sup>1</sup>

On April 25, 2024, the former Mayor returned 30 checks and money orders, from 24 customer accounts, totaling \$2,084. The payments were dated from February 8, 2024, through March 19, 2024. When asked why he still had the payments in his possession after no longer being in office, the former Mayor indicated that it was the final deposit from the time he was Mayor, and that he had intended to deposit the payments, but the bank bag had gotten lost in his truck. However, this does not fully explain all retained receipts because the checks were from various dates over a 6-week period, and the former Mayor previously indicated he made deposits approximately weekly.

## **2. Segregation of Duties, Oversight, and Receipting**

The Board did not segregate duties or ensure sufficient oversight, and receipting controls were inadequate. The City Clerks were responsible for almost all the accounting functions and no one verified the deposits after they were made. Additionally, the former Mayor received payments and had access to the accounting system, but no one verified that he issued receipt slips, recorded receipts in the accounting system, and deposited those receipts. This resulted in missing money occurring and going undetected. We noted deposits were not always made intact, receipt slips were not always issued or did not indicate the correct method of payment, payments were not always recorded in the accounting system, and receipts were not always deposited into the correct bank accounts. Failure to provide proper oversight and establish adequate internal controls increases the likelihood that missing money will go undetected.

## **3. Reconciliations**

The former City Clerks did not perform monthly reconciliations of amounts billed, payments received, bank deposit slips, and bank statements for the period June 2023 through April 2024. On April 25, 2024, the former Mayor returned 30 undeposited checks for city utilities. These checks were dated from February 8, 2024, to March 19, 2024, and totaled \$2,084. City officials did not identify the missing receipts until a customer noted his uncleared check. A timely reconciliation of billings to receipts, and receipts to deposits, would have identified these missing checks. The lack of adequate reconciliations contributed to the ongoing financial losses experienced by the City of Fairview.

## **Conclusion and Recommendations**

The lack of segregation of duties, proper oversight, and adequate reconciliations of utility billings resulted in missing money totaling over \$10,000 going undetected. The Board of Aldermen should work with law enforcement officials regarding criminal prosecution of the missing money and take the necessary actions to obtain restitution. Additionally, to address identified control weaknesses we recommend the Board ensure (1) receipt slips are issued for all money received and money received is recorded in the accounting system; (2) accounting duties are segregated to the extent possible; (3) appropriate monitoring procedures are implemented, including reviewing deposits and account reconciliations and promptly investigating any

---

<sup>1</sup> After this discussion with the Mayor, we determined some utility receipts were deposited into other city bank accounts, so the missing money amount was \$43.80 lower than the amount the Mayor indicated in his signed statement.

differences; and (4) procedures for monthly reconciliations of amounts billed, payments received, bank deposit slips, and bank statements are established.

A handwritten signature in black ink that reads "Scott Fitzpatrick". The signature is written in a cursive style with a large initial "S" and "F".

Scott Fitzpatrick  
State Auditor