



## NEBRASKA AUDITOR OF PUBLIC ACCOUNTS

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January 30, 2020

Jim Roblyer, Mayor  
City of Burwell  
404 Grand Avenue  
P.O. Box 604  
Burwell, NE 68823

Scott Krause, Chairman  
Board of Commissioners  
Garfield County  
250 South 8th  
Burwell, NE 68823

Dear Sirs:

As you may know, the Nebraska Auditor of Public Accounts (APA) has received concerns regarding tuition payments made by the Burwell Chamber of Commerce (Chamber), as well as partial reimbursement for those expenditures from the City of Burwell (City), on behalf of Mr. David Sawyer. Those payments appear not only to have lacked proper authorization but also to have been made during the course of Mr. Sawyer's ongoing managerial tenure with all three of the entities involved.

In response to the complaints received, the APA began limited preliminary planning work to determine if a full financial audit or attestation would be warranted. Pursuant thereto, the APA requested pertinent financial information from the City, County, and Chamber.

Based upon a review of the materials received, the APA has determined that a financial audit or attestation by our office is not required at this time. Nevertheless, during the course of the preliminary planning work leading to that determination, the APA noted certain issues that merit corrective action, as presented below.

The following information is intended to improve internal controls or result in other operational efficiencies.

### **Background**

In the fall of 2019, the APA was notified that the City's Economic Development Director, Mr. Sawyer, received unauthorized reimbursements for tuition related to his pursuit of a master's degree. Those payments were made initially by the Chamber, which received partial reimbursement for them from the City.

From the information obtained, the APA determined that the Chamber made a total of \$18,947.22 in tuition payments for Mr. Sawyer. Of that amount, the City reimbursed the Chamber \$9,789.72.

The following table provides the details of those payments:

From Chamber Bank Statement			Per City of Burwell Records		
Date	Payee	Amount	Check Number	Payee	Amount
9/8/2016	Peru State College	\$ 27.22	2145	Chamber of Commerce	\$ 27.22
9/8/2016	Peru State College	\$ 990.00	2145	Chamber of Commerce	\$ 990.00
11/9/2016	Peru Higher One Inc	\$ 975.00	2164	Chamber of Commerce	\$ 975.00
1/23/2017	University of NE Lincoln	\$ 1,362.50	2176	Chamber of Commerce	\$ 1,362.50
2/13/2017	University of NE Lincoln	\$ 850.00			
2/16/2017	University of NE Lincoln	\$ 512.50			
6/12/2017	University of NE Lincoln	\$ 1,635.00			
9/11/2017	University of NE Lincoln	\$ 1,695.00			
1/23/2018	University of NE Lincoln	\$ 1,695.00			
2/20/2018	University of NE Lincoln	\$ 1,695.00	2229	Chamber of Commerce	\$ 1,695.00
6/8/2018	University of NE Lincoln	\$ 1,695.00	2237	Chamber of Commerce	\$ 1,695.00
6/14/2018	University of NE Lincoln	\$ 1,695.00			
8/29/2018	University of NE Lincoln	\$ 1,895.00	2253	Chamber of Commerce	\$ 1,895.00
10/5/2018	University of NE Lincoln	\$ 1,150.00	2253	Chamber of Commerce	\$ 1,150.00
10/15/2018	University of NE Lincoln	\$ 1,075.00			
<b>Totals</b>		<b>\$ 18,947.22</b>			<b>\$ 9,789.72</b>

In addition to being employed as the Economic Development Director for the City, Mr. Sawyer serves – as he did at the time of the tuition and reimbursement payments at issue – in the following capacities:

**Board President/Executive Director of the Burwell Economic Development Program:** The Economic Development Board (Board) is an advisory body to the Mayor. According to a City web page (<http://www.development.burwellonline.com/>), “The economic development board of directors consists of six members appointed by the mayor, with the approval of the city council, along with the executive director.” The same web page describes the Board’s mission as follows: “The mission of the Burwell Economic Development Board is to promote economic growth by retaining, growing, and expanding businesses in the Burwell area.”

**Executive Director of the Burwell Chamber of Commerce:** The City’s main web page (<http://www.chamber.burwellonline.com/>) provides the following description of the Chamber:

*The Burwell Chamber of Commerce is a member-driven organization that proactively works to promote the agricultural, commercial, industrial, educational and civic interests of the City of Burwell and its surrounding area. The Chamber is an information and referral center for the community and for businesses and individuals outside the community. Our Chamber continually collaborates with business leaders, community volunteers and local/state government agencies to accomplish collectively what we cannot accomplish individually. Information about local business activities, tourism, area events, lodging and relocation are promoted and made possible because of Chamber member support.*

**Director of the Burwell Area/Garfield County Visitors Bureau:** The Garfield County (County) Board of Commissioners (Board) created the Burwell Area/Garfield County Convention & Visitors Bureau (Bureau), an advisory committee to the Board charged with administering County tax revenues received under the Nebraska Visitors Development Act, which is set out at Neb. Rev. Stat. § 81-3701 (Supp. 2019) et seq. Pursuant to the Interlocal Cooperation Act, as found at Neb. Rev. Stat. § 13-801 (Reissue 2012) et seq., the City and County entered into an interlocal agreement to combine the financial and human resources of those entities to “more effectively promote economic development, business expansion, and

tourism promotion.” The joint cooperation program is administered by the City, through the office of the Economic Development Director, Mr. Sawyer, assisted by a Program Administrator. The Economic Development Director serves also as the Director of the Bureau.

Due to his various leadership positions, Mr. Sawyer helps to oversee the financial activities of all three of the entities described above.

### Comments and Recommendations

#### **1. Apparent Lack of Authority for City Payments**

With a population of 1,210 at the 2010 census, the City constitutes a “city of second class,” which Neb. Rev. Stat. § 17-101 (Cum. Supp. 2018) defines as a municipality “containing more than eight hundred and not more than five thousand inhabitants as determined by the most recent federal decennial census . . . .” As such, the City is necessarily limited as to the activities in which it may engage.

The Nebraska Supreme Court (Court) has described the inherent limitations of this State’s political subdivisions as follows:

*The well-settled rule in this jurisdiction is that a municipal corporation possesses, and can exercise, the following powers and no others: first, those granted in express words; second, those necessarily or fairly implied in or incident to the powers expressly granted; and third, those essential to the declared objects and purposes of the corporation-- not simply convenient, but indispensable.*

Professional Firefighters of Omaha, Local 385 v. City of Omaha, 243 Neb. 166, 174, 498 N.W.2d 325, 331 (1993). The Court has offered this further observation regarding the parameters within which a municipality must act:

*Statutes granting powers to municipalities are to be strictly construed, and where doubt exists, such doubt must be resolved against the grant.*

L.J. Vontz Const. Co., Inc. v. City of Alliance, 243 Neb. 334, 341, 500 N.W.2d 173, 177 (1993). The APA is aware of no express statutory authority for the City to pay the tuition of a municipal employee.

The APA has noted that Neb. Rev. Stat. § 17-108 (Cum. Supp. 2018) provides for the setting of compensation for the City’s officers and employees:

*The officers and employees of a city of the second class shall receive such compensation as the mayor and city council shall fix by ordinance.*

Upon inquiry, however, City officials informed the APA that no municipal ordinance authorizes the payment of tuition expenses as a form of compensation or remuneration for employees.

In light of the apparent lack of underlying authority for the City to pay, either directly or through reimbursements, the private tuition costs incurred by Mr. Sawyer, the APA must question the legal authority of the City to make such payments.

Additionally, the APA must raise for consideration what the Court has deemed “the principle of law that public funds cannot be expended for private purposes.” Haman v. Marsh, 237 Neb. 699, 722, 467 N.W.2d 836, 857 (1991). A corollary of Article XIII, § 3, of the Nebraska Constitution, which prohibits giving or lending of the State’s credit, the “public purpose” doctrine forbids, in the words of Nebraska’s Attorney General, “a private entity to use state funds or property for a direct benefit to private industry with only a remote or indirect benefit to the public.” Op. Att’y Gen. No. 95034 (April 26, 1995).

The APA is unaware of any valid public purpose to be realized by the City's paying, without the authority to do so, the tuition costs of Mr. Sawyer or, for that matter, anyone else. Without adopting a formal ordinance authorizing the payments at issue, moreover, the City has failed to meet its burden of establishing that such a public purpose exists. Consequently, we believe the City's payments for Mr. Sawyer's tuition to be legally suspect.

Good internal controls require procedures to ensure that all expenditures of public funds are made only pursuant to proper legal authority (i.e., State statute or formally adopted ordinance authorizing such payments).

Without such procedures, there is an increased risk of taxpayer dollars being misspent, either negligently or otherwise.

We recommend procedures be implemented to ensure that public funds are spent only pursuant to proper legal authority. Because this comment addresses the possibility of an improper payment of public funds, the APA will forward the information herein to the Garfield County Attorney for further review.

## 2. Interest-Free Loan

In addition to finding no statute or ordinance expressly authorizing the payment of the tuition costs incurred by Mr. Sawyer, the APA learned that the City obtained a promissory note for repayment of those municipal expenditures.

Per that agreement, Mr. Sawyer is required to reimburse the City \$9,789.72 in 19 monthly installments of \$500 each and one monthly installment of \$289.72.

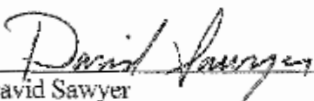
Copied below is an image of the promissory note signed by Mr. Sawyer:

PROMISSORY NOTE  
(Burwell, Nebraska)

\$9,789.72

May 14, 2019

For value received, the undersigned David Sawyer, individually, DEBTOR promises to pay to the order of City of Burwell as LENDER the sum of \$9,789.72 on or before February 1, 2021, pursuant to the amortization payment schedule attached at Exhibit A and incorporated herein. This Note and repayment is associated with a student loan arrangement received by Debtor from Lender.

  
David Sawyer

The following is an image of the repayment schedule that the City prepared to accompany the promissory note signed by Mr. Sawyer:

Principal: \$9,789.72 at 0% (Ordinary Interest)  
 Issued: 5/10/2019 with first payment on 7/1/2019  
 Payment: \$500.00 Monthly (Principal + Interest)

APR % 0.0000%	FINANCE CHARGE \$0.00	Amount Financed \$9,789.72	Total of Payments \$9,789.72
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Number of Payments 19 1	Amount of Payments \$500.00 \$289.72	When Payments Are Due Monthly beginning 7/1/2019 2/1/2021
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PMT #	Date	Principal Payment	Interest Payment	Principal Balance	Memo
	5/10/2019			\$9,789.72	
1	7/1/2019	\$500.00	\$0.00	\$9,289.72	[6-23-19]
2	8/1/2019	\$500.00	\$0.00	\$8,789.72	[ ]
3	9/1/2019	\$500.00	\$0.00	\$8,289.72	[ ]
4	10/1/2019	\$500.00	\$0.00	\$7,789.72	[ ]
5	11/1/2019	\$500.00	\$0.00	\$7,289.72	[ ]
6	12/1/2019	\$500.00	\$0.00	\$6,789.72	[ ]
	2019 Totals	\$3,000.00	\$0.00		
	Paid To Date	\$3,000.00	\$0.00		
7	1/1/2020	\$500.00	\$0.00	\$6,289.72	[ ]
8	2/1/2020	\$500.00	\$0.00	\$5,789.72	[ ]
9	3/1/2020	\$500.00	\$0.00	\$5,289.72	[ ]
10	4/1/2020	\$500.00	\$0.00	\$4,789.72	[ ]
11	5/1/2020	\$500.00	\$0.00	\$4,289.72	[ ]
12	6/1/2020	\$500.00	\$0.00	\$3,789.72	[ ]
13	7/1/2020	\$500.00	\$0.00	\$3,289.72	[ ]
14	8/1/2020	\$500.00	\$0.00	\$2,789.72	[ ]
15	9/1/2020	\$500.00	\$0.00	\$2,289.72	[ ]
16	10/1/2020	\$500.00	\$0.00	\$1,789.72	[ ]
17	11/1/2020	\$500.00	\$0.00	\$1,289.72	[ ]
18	12/1/2020	\$500.00	\$0.00	\$789.72	[ ]
	2020 Totals	\$6,000.00	\$0.00		
	Paid To Date	\$9,000.00	\$0.00		
19	1/1/2021	\$500.00	\$0.00	\$289.72	[ ]
20	2/1/2021	\$289.72	\$0.00	\$0.00	[ ]
	2021 Totals	\$789.72	\$0.00		
	Paid To Date	\$9,789.72	\$0.00		

Last payment was: \$289.72

Total payments made: 20

It is important to note that the City did not require Mr. Sawyer to pay back any of the interest that would normally be earned on the \$9,789.72 in municipal funds expended for his tuition – in essence, making those unauthorized payments an interest-free loan to him by the City’s taxpayers.

To reiterate information contained in the prior comment herein, the APA is unaware of any express authority, whether statutory or in the form of a municipal ordinance, for the City to have made the tuition payments at issue. The fact that these payments may be paid back does nothing to ameliorate this concern.

Moreover, as pointed out in the Background section of this letter, Mr. Sawyer is employed as the Economic Development Director for the City. Additionally, he serves as the Board President/Executive Director of the Burwell Economic Development Program, the Executive Director of the Burwell Chamber of Commerce, and the Director of the Burwell Area/Garfield County Visitors Bureau.

Depending upon the nature of his role in securing the City tuition reimbursements at issue, Mr. Sawyer's status as a public employee, with managerial oversight of municipal funds at the time that he received those payments, may give rise to concerns about possible violation of the Nebraska Political Accountability and Disclosure Act (Act), which is set out at Neb. Rev. Stat. § 49-1401 (Cum. Supp. 2018) et. seq. Specifically, Neb. Rev. Stat. § 49-14,101.01(1) (Reissue 2010) of the Act provides the following:

*A public official or public employee shall not use or authorize the use of his or her public office or any confidential information received through the holding of a public office to obtain financial gain, other than compensation provided by law, for himself or herself, a member of his or her immediate family, or a business with which the individual is associated.*

Subsection (2) of that same statute reads as follows:

*A public official or public employee shall not use or authorize the use of personnel, resources, property, or funds under his or her official care and control other than in accordance with prescribed constitutional, statutory, and regulatory procedures or use such items, other than compensation provided by law, for personal financial gain.*

Additionally, subsection (7) provides, in relevant part, “[A]ny person violating this section shall be guilty of a Class III misdemeanor . . . .”

Good internal controls require procedures to ensure that City employees obtain neither preferential treatment nor unauthorized benefits, especially in the form of personal financial gain not provided by law, due to their functionary status.

Without such procedures, there is an increased risk for not only loss or misuse of City funds but also violation of State law.

We recommend the City implement procedures to ensure City employees obtain neither preferential treatment nor unauthorized benefits, especially in the form of personal financial gain not provided by law, due to their functionary status. Because this comment addresses possible violation of the Act, the APA will refer the information herein to the Nebraska Accountability and Disclosure Commission for further review.

### **3. Insufficient Documentation**

Pursuant to the present examination, the APA requested documentation from both the County and the City for any payments, dating back to September 2016, by either of those entities to the Chamber or Mr. Sawyer. Our review of the financial records received revealed the following issues:

- Instances of only credit card receipts, as opposed to their itemized counterparts, for meals.
- Taxes paid by these tax-exempt municipalities on hotel rooms in Nebraska.
- Inadequate documentation for some expenditures.
- Complete lack of documentation for certain other expenditures.
- Reimbursement of promotional “Chamber Bucks” before those certificates were redeemed.

- The same meals and postage expenses being reimbursed twice.
- Lack of adequate documentation to support payment to for maintenance of brochure racks.

Each of the above concerns is addressed in detail – including summaries of the payments and explanations of the accompanying documentation – in **Exhibit A**, which is attached hereto.

Good internal controls requires procedures to ensure that public funds are not misspent, and adequate documentation is available to support all County and City expenditures. Such documentation should include the original receipts, should be made available prior to the processing of any payments, and should be in accordance with all applicable administrative policies.

Without such procedures, there is an increased risk for loss or misuse of County or City funds.

We recommend the County and City implement procedures to ensure public funds are not misspent, and adequate supporting documentation is received prior to processing any payments. Such documentation should include the original receipts, should be made available prior to the processing of any payments, and should be in accordance with all applicable administrative policies.

*City of Burwell Response: No response*

*Garfield County Response: In my opinion, if there is to be unlawful taking or outright theft, I would suggest this be referred to the Attorney General's office for opinion on prosecution.*

\* \* \* \* \*

The preliminary planning work that resulted in this letter was designed primarily on a test basis; therefore, it may not bring to light all existing weaknesses in the City or County's policies or procedures. Nevertheless, our objective is to use the knowledge of the entity gained during the preliminary planning work to make comments and recommendations that we hope will prove useful to the City and County.

Draft copies of this letter were furnished to the City and County to provide management with an opportunity to review and to respond to the comments and recommendations contained herein. All formal responses received have been incorporated into the letter. This communication is intended solely for the information and use of the City and County and their management. It is not intended to be, and should not be, used by anyone other than those specified parties. However, this letter is a matter of public record, and its distribution is not limited.

If you have any questions regarding the above information, please contact our office.

Sincerely,



Mary Avery  
Special Audits and Finance Manager  
Phone (402) 471-3686  
mary.avery@nebraska.gov

City of Burwell and Garfield County  
**Reimbursements to Chamber of Commerce and Mr. David Sawyer**  
September 2016 to October 2019

**Exhibit A**

County or City Reimbursements to Chamber of Commerce			County Reimbursement Directly to Mr. Sawyer	City Reimbursement Directly to Mr. Sawyer	
Month	Amount	City or County			
9/2016	\$ 1,017.22	City		\$ 62.10	\$1,017.22 from City to Chamber for tuition at Peru State College of \$990 and \$27.22. \$62.10 from City to Mr. Sawyer for reimbursement request for 115 miles to set up the Exhibit at the State Fair on 8/24/2016. 115 miles at \$.54 per mile is \$62.10. Google maps shows a one way trip to Grand Island is 83 miles.
9/2016	\$ 1,217.22	County			\$1,217.22 from County to Chamber: \$509.72 for event volunteer t-shirts. Total invoice was \$1,019.44 but half was paid by Chamber. \$260 for advertising in Junk Jaunt Guide. \$53.16 for State Fair tickets and meals. <b>(\$17.16 for meals only had credit card receipts)</b> . \$227.48 for State Fair follow-up mailing. \$166.86 for general info mailing and rest stop brochures.
10/2016	\$ 1,127.21	City			\$1,127.21 from City to Chamber: Documentation included an email received from Dell regarding a purchase. The specific item purchased did not appear in the email provided by the City. Total amount of purchase was \$1,127.21. The APA requested additional information from Mr. Sawyer, and a detailed order confirmation was provided.
12/2016	\$ 975.00	City		\$ 348.54	\$975 from City to Chamber for tuition to Peru State College for payment made on 11/7/2016. \$348.54 from City to Mr. Sawyer for reimbursement request for 173 miles to Kearney for a presentation at South Central Economic Development Conference on 10/26/2016. 173 miles at \$.54 per mile is \$93.42. The amount was reduced by \$30 for a speaking fee received from SCEDD. A second reimbursement request was for 528 miles at \$.54 per mile to attend the Nebraska Tourism Conference in Gering, NE from October 18 to 20, 2016. Total amount was \$285.12. Total of two requests is \$348.54. Miles to each location are reasonable. A note on the Tourism trip indicated that CVB would reimburse for half of the trip.
1/2017	\$ 1,124.39	County			Two checks from County to Chamber: First for \$859.64: Ad in Trails of the West for \$70 (invoice did not have vendor and was hand written). \$23.20 for reimbursement of Tourism Conference meals. <b>One of two receipts for \$16.47 was only credit card copy</b> . Reimbursement for Nebraska Tourism Conference lodging. Hampton Inn invoice from Scottsbluff. Two nights at \$114 per night <b>plus tax of \$27.36</b> . If the City or County pays the hotel directly, either through direct bill or a purchasing card, the taxes would not be included for hotels in Nebraska. If the Director chooses to use the Chamber credit card, the Chamber should pay the taxes. Dates were 10/18/2016 and 10/19/2016. \$311.08 for website hosting to Rural Designs – entity from Durango, Colorado. Date of invoice was 9/30/2016 and stated “visitloupcounty.com” \$200 for NE Tourism Conference registration fee. <b>Documentation not adequate</b> . Second check for \$264.75: Boat Sports and Travel Show in Omaha, data, voice and electrical expenses for Exhibit \$174.75. Event is 2/23/2017 to 2/26/2017. Reimbursement of \$90 for Grand Island Rodeo Exhibit Fee. <b>Documentation not adequate</b> .



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County or City Reimbursements to Chamber of Commerce			County Reimbursement Directly to Mr. Sawyer	City Reimbursement Directly to Mr. Sawyer	
Month	Amount	City or County			
2/2017	\$ 1,362.50	City	\$ 89.64		\$1,362.50 from City to Chamber for tuition payment to University of NE Lincoln for payment made on 1/19/2017. \$89.64 from County to Mr. Sawyer for mileage reimbursement for travel to CVB Exhibit at Fonner Park outdoor show on 1/13/2017. A total of 166 miles at \$.54 per mile is \$89.64. Miles to Grand Island are reasonable.
3/2017	\$ 6.00	County	\$ 319.37		\$6 from County to Chamber for reimbursement for food at Fonner Park on 1/17/2017. <b>No documentation was provided other than bank statement showing debit transaction.</b> \$319.37 from County to Mr. Sawyer for personal reimbursement for mileage and food related to Omaha Show and Grand Island rodeo. On 2/23/2017, 400 miles at \$.54 per mile (\$216) to Omaha to set up exhibit for Omaha show. Miles are reasonable. \$9.95 for meal at Twisted Fork on 2/23/2017. \$93.42 for 173 miles at \$.54 per mile to Grand Island for exhibit set up on 3/3/2017. Miles are reasonable.
4/2017	\$ 1,116.53	County		\$ 72.23	Two checks from County to the Chamber: \$219.38 and \$897.15. The County did not provide documentation for the \$219.38. The APA requested documentation from Mr. Sawyer and he provided three receipts for postage. Two were dated March 2017 and one was from February 2017. The County provided a Chamber invoice for \$897.15. <b>However, receipts or invoices for the \$897.15 were not provided.</b> Only documentation was an invoice from the Chamber and the bank statement showing the expenses. <b>The APA requested documentation from Mr. Sawyer, and no additional information was provided.</b> The expense was a reimbursement for The Omaha Boat and Travel show expenses: Meals \$118.82, Lodging \$653.45, Supplies \$116.88, and Parking \$8.00. \$72.23 from City to Mr. Sawyer: Reimbursement request was provided by the City for 135 miles to O'Neill, NE for the Central NE Economic Development Conference on March 30, 2017. Rate per mile was \$.535 for a total of \$72.23. Miles to O'Neill were reasonable.
6/2017	\$ 379.82	County		\$ 106.38	\$379.82 from County to Chamber included two amounts, \$301.56 and \$78.26. <b>No documentation was provided for \$78.26 reimbursement.</b> County provided documentation for \$301.56, which included one reimbursement of \$145.56 for Travel Writers Visit Lodging. There was an invoice to the Rodeo Inn in Burwell for two rooms for one night at \$72.78, <b>which included tax of \$15.58.</b> Another reimbursement was for a NETA Brochure Swap Luncheon, \$11, and for State Fair Tickets for volunteers, \$145. Total of \$156. <b>There was no documentation to support these expenses.</b> \$106.38 from the City to Mr. Sawyer: reimbursement request was provided by the City for 197 miles to Lexington, NE for a Community Catalyst Housing Meeting on May 23, 2017. The rate per mile was \$.54 for a total of \$106.38. Miles to Lexington were reasonable.

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County or City Reimbursements to Chamber of Commerce			County Reimbursement Directly to Mr. Sawyer	City Reimbursement Directly to Mr. Sawyer	
Month	Amount	City or County			
8/2017	\$ 1,705.00	County		\$ 44.82	There are two checks from the County to the Chamber: One for \$1,500 to Tappan Design out of Ottawa, Kansas to design and produce Ads in the Burwell and Calamas Lake Area Travel Guide. Second reimbursement was for Chamber Bucks for Walleye Tournament participants. The total provided was \$410, cost was split with the Chamber – so \$205. <b>The County provided only the invoice from the Chamber.</b> The APA requested documentation from Mr. Sawyer, and he provided copies of the Chamber Bucks Certificates from the Great Western Bank account from June 2017. There were 41 \$5 certificates for a total of \$205. \$44.82 from City to Mr. Sawyer for reimbursement 83 miles to Loup City, NE for a CNEDD Board meeting on July 18, 2017. The rate per mile was \$.54 for a total of \$44.82. Miles to Loup City were reasonable.
9/2017			\$ 89.10		Check from County to Mr. Sawyer for \$89.10. <b>The County provided inadequate documentation to support this expense.</b> The APA requested documentation from Mr. Sawyer, and he provided the request for reimbursement of expenses form with the trip details. The reimbursement was for 165 miles to Grand Island to set up at the State Fair on 8/30/2017. Miles appear reasonable.
10/2017	\$ 210.43	County			There are two checks from the County to the Chamber: One for \$13.56 for a meal at Taco Bell during State Fair. The other check was for \$196.87 and included payment for \$63.87 to Walmart for a camera case, bed riser, and other supplies, \$35 for State Fair tickets, and \$98 in postage for State Fair follow-up mailing. (appears to be 10 books of stamps)
11/2017				\$ 118.63	\$118.63 from City to Mr. Sawyer: Reimbursement request was provided by the City for 175 miles to Ainsworth for the Central NE Economic Dev Board and Council of Officials Meeting on 11/9/2017. The rate per mile was \$.535 for a total of \$93.63. There is also a \$25 registration fee for a total of \$118.63. Miles to Ainsworth were reasonable.
12/2017	\$ 305.73	County			There are two checks from the County to the Chamber: One for \$192.50 to reimburse a NE Tourism Registration for Tenise Jarecke. <b>The conference registration was not provided</b> , just an email receipt of the registration that said event registration. Second check is for \$113.23. \$13.23 was for postage. Receipt provided. \$100 was for the 2016 State Fair Exhibit Drawing Winner. <b>Only documentation provided by the County was an email from Sawyer to Stacie Roblyer inquiring to see if there was a drawing winner.</b> The APA requested documentation from Mr. Sawyer and he provided the Chamber invoice with the chamber buck certificate numbers hand written on the document. Twenty \$5 bucks. He also provided copies of 13 certificate images from the bank statements showing that the certificates had been used in August and November 2018. He indicated that seven of the certificates are still outstanding. <b>It does not appear the Chamber Bucks are a valid expense until they have been redeemed. The \$100 in Chamber Bucks was not a valid, reimbursable expense of the County at the time of the reimbursement.</b>

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Month	Amount	City or County			
3/2018	\$ 1,632.33	County	\$ 312.83		Check from the County to Chamber included the following reimbursements: \$171.46 for meals during the Omaha Show exhibit and \$12.32 for meals for the Rodeo Grand Island show exhibit. <b>Detailed meal receipts were provided, with the exception of a meal at CenturyLink for \$14.50 and meal at Twisted Fork for \$27.92 only included credit card receipt. It also appears a meal on 2/23/2018 at Old Chicago of \$12.04 was reimbursed twice.</b> Check also included \$1,213.55 for lodging in Omaha for Omaha Show. Invoices from Fairfield Inn for Anita Doggett for \$186.70, Stacie Roblyer for \$280.05, Eva Oliver for \$186.70, Katie Cain for \$186.70, Marcie Thoene for \$186.70, and Johanna Jeffres for \$186.70. Also reimbursement for \$158 for exhibit chairs and \$77 for electricity fee. Receipts on file. \$312.83 from County to Mr. Sawyer including: \$219.09 mileage reimbursement for 402 miles at \$.545 per mile to Omaha for the exhibit at the travel show on 2/22/2018. \$93.74 mileage reimbursement for 172 miles at \$.545 to Grand Island for the exhibit at the Rodeo. Miles were reasonable.
4/2018	\$ 1,695.00	City			\$1,695 from City to Chamber for tuition to University of NE Lincoln paid on 2/15/2018.
5/2018	\$ 1,468.54	County			There are two checks from the County to the Chamber: One for \$500 for an advertisement in the Valley County Magazine. Invoice from Flagship Publishing included. The other check was \$968.54 for the following: \$200 Chamber bucks for Fox Hunters Group activities. <b>There was no documentation for this expense. The APA requested additional documentation from Mr. Sawyer, and he provided a Chamber invoice for the \$200 Chamber Bucks that had more information on it than the one provided by the County, including the number range for 40 certificates. No images of the redeemed certificates were provided so it appears the \$200 in Chamber Bucks have not been redeemed and should not have been reimbursed.</b> \$100 in Chamber Bucks for a drawing at the Omaha Boat Show. <b>The County lacked adequate documentation to support the expense, providing only a letter to the drawing winner stating the letter acts as the voucher for the chamber bucks.</b> The APA requested additional information from Mr. Sawyer, and he provided an invoice with the number range of 20 certificates. He also provided the certificate images for 20 certificates redeemed in April 2018. \$73.51 for St Patrick's Day float supplies. Receipt from Amazon provided. \$59.94 for candy for the Exhibit at the Omaha Show. Receipt for Walgreens provided. \$135.09 for candy for the St Patrick's Day parade. Receipt from Shurfine foods indicating "grocery" provided. \$400 for Burwell High School Rodeo team for staffing O'Neill parade. <b>Adequate documentation was not provided.</b>
6/2018	\$ 1,695.00	City			\$1,695 from City to Chamber for tuition to University of NE Lincoln paid on 6/6/2018.

City of Burwell and Garfield County  
**Reimbursements to Chamber of Commerce and Mr. David Sawyer**  
 September 2016 to October 2019

**Exhibit A**

County or City Reimbursements to Chamber of Commerce			County Reimbursement Directly to Mr. Sawyer	City Reimbursement Directly to Mr. Sawyer	
Month	Amount	City or County			
7/2018	\$ 1,499.67	County			There are two checks from the County to the Chamber: One for \$850 for an ad in the Nebraska Traveler Magazine. An invoice from Nebraska Traveler was provided. The next check was \$649.67 and included \$399.67 consisting of the following: \$15 for NebraskaLand Days parade entry. Receipt provided. \$142 for postage of general mailings. \$12.65 for postage for the Tractor Tour Group. \$64.57 for postage for a mailing for Visit.Nebraska.com. \$93.80 for postage for mailing brochures to travel centers. \$6.70 for postage for mailing rodeo cards to travel centers. \$64.95 for postage for mailing to Half-Century Bike Tour. <b>None of the postage amounts were supported by adequate documentation. The APA requested documentation from Mr. Sawyer, and he provided actual receipts for all of the postage documents, except the one for \$64.95.</b> The check also included \$250 for Red Carpet Customer Service Training. Invoice from IANR indicated a presentation was made on April 17 and 18 by Dr. Cheryl Burkhard-Kriesel.
8/2018	\$ 629.31	County			Check from the County to the Chamber as follows: \$180 Walleye Tournament Chamber Bucks. <b>The County failed to provide adequate documentation.</b> The APA requested information from Mr. Sawyer, and he provided an invoice with the numbers of 36 certificates. The invoice was dated 5/18/2018. He also provided images of 19 certificates that were redeemed in June 2018. <b>Therefore, 17 certificates, totaling \$85, were not an actual expense as the certificates had not been redeemed.</b> \$36.74 reimbursement for meals for NebraskaLand Days parade entry. <b>Credit card receipt only.</b> \$68.59 for reimbursement for fuel for NebraskaLand Days parade. <b>Adequate documentation not provided.</b> \$54.40 for postage for CVB magazine to travel centers. \$70.95 for postage for CVB magazine to travel centers. \$78.24 for postage for CVB magazine to travel centers. \$75.44 for postage for CVB magazine to local accommodations. \$64.95 for postage for visitor packets for Bike Tour participants. <b>Adequate documentation was not provided for postage amounts. Mr. Sawyer also confirmed that the \$64.95 reimbursement had previously been reimbursed by the County.</b>

City of Burwell and Garfield County  
**Reimbursements to Chamber of Commerce and Mr. David Sawyer**  
 September 2016 to October 2019

**Exhibit A**

County or City Reimbursements to Chamber of Commerce			County Reimbursement Directly to Mr. Sawyer	City Reimbursement Directly to Mr. Sawyer	
Month	Amount	City or County			
9/2018	\$ 1,330.12	County	\$ 97.67		<p>There are two checks from the County to the Chamber: One for \$841.12 for the following: \$87.97 for CVB Exhibit supplies. Invoice from Office Depot for a ballot box, sign and table cover. Tax was not paid. \$11.45 for postage for mailing to Columbus Visitor Center. <b>Documentation from the County was not adequate.</b> The APA requested information from Mr. Sawyer, and he provided a receipt for the expense. \$510 for Chamber Bucks for the Catfish Tournament Participants. <b>No documentation provided by the County for this expense.</b> The APA requested documentation from Mr. Sawyer, and he provided the Chamber invoice showing a range of 102 certificate numbers for catfish tournament participants. He also provided the images of 71 redeemed certificates in August and three redeemed certificates in September. <b>However, all certificates were redeemed after the date on the Chamber invoice. Therefore, the \$510 was not a valid expense at the time of the reimbursement. Currently, it appears there are 28 unredeemed certificates worth \$140.</b> \$50 in Chamber Bucks for the State Fair Drawing Winner 2017. <b>The County provided a letter to drawing winner that showed he won the drawing.</b> The APA requested information from Mr. Sawyer, and he provided a Chamber invoice dated July 2018 showing the numbers for 10 certificates. He also provided images of nine of the redeemed certificates in September 2018. <b>At the time of the reimbursement request, none of the certificates had been redeemed. Currently, there is one outstanding certificate.</b> \$175 postage for State Fair Exhibit registration. Receipt provided. \$6.70 for postage for State Tourism Award Nomination Mailing. Receipt provided. Second check is for \$489 for volunteer t-shirts. Receipt provided for \$1,056.10 for t-shirts from Misko Sports out of Ord, NE. Invoice noted that \$528.05 was CVB share, but tax amount was not reimbursed. Only 1/2 of \$987. Note said only \$489 paid. \$97.67 from County to Mr. Sawyer: mileage and meal for State Fair set up. 165 miles at \$.55 per mile or \$90.75 on 8/23/2018 to Grand Island to set up fair. Miles appear reasonable. Also \$6.92 for meal at Taco Bell on 8/23/2018. Receipt provided.</p>
10/2018	\$ 3,224.90	City			<p>Payment from City to Chamber as follows: \$3,045 for tuition for two classes paid on 8/27/2018 and 10/3/2018. \$150 for membership to the Community Development Society. <b>The receipt from PayPal does not indicate the purpose of the expense.</b> A note on the invoice to the City stated it was for the Community Development Society Journal. \$29.90 was two payments of \$14.95 to the National Student Clearinghouse. <b>Although the email receipt does not explicitly state the purpose, it appears to be for degree verification.</b></p>
11/2018				\$ 212.55	<p>\$212.55 from City to Mr. Sawyer: reimbursement request was provided by the City for 390 miles to Omaha, NE for an Omaha TV business program interview on October 30, 2018. The rate per miles was \$.545 for a total of \$212.55. Miles to Omaha were reasonable.</p>

City of Burwell and Garfield County  
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September 2016 to October 2019

**Exhibit A**

County or City Reimbursements to Chamber of Commerce			County Reimbursement Directly to Mr. Sawyer	City Reimbursement Directly to Mr. Sawyer	
Month	Amount	City or County			
12/2018	\$ 1,116.67	County			Two checks from the County to the Chamber: First was for \$1,012.57 and included \$450 for two registrations for the NE Tourism Conference. Registration forms for Amy Hughes and Ryan Copsey provided. Next check was for \$562.57 and included \$13.76 for meals for State Fair participation. Receipts in Grand Island provided. \$15.21 for meals for NE Tourism Conference. Runza receipt provided for two meals in St. Paul on 10/18/2018. \$533.60 for lodging for NE Tourism Conference. Lodging receipt from Lied Conference Center for two nights of lodging at \$266.80 per night (taxes not paid). Next check was \$104.10 for postage. <b>Adequate documentation not provided by the County.</b> The APA requested documentation from Mr. Sawyer, and he provided a receipt for postage.
3/2019	\$ 255.90	County	\$ 214.73		Check for \$255.90 from the County to the Chamber: \$77 for electricity at the Omaha Boat Sport and Travel Show. There was an email confirmation of the service and amount. \$108.90 for an exhibit platform cart. Receipt from Global Industrial for online purchase of \$87.95 cart plus shipping. \$70 for exhibit space fee for Boone County show. A vendor booth application for the Home Farm and Garden show in Albion, NE on 3/22, 23/2019 was provided. \$214.73 from County to Mr. Sawyer for mileage reimbursement. 394 miles at \$.545 per mile to Omaha for exhibit set up at the Omaha Show on 2/21/2019. Miles are reasonable.
4/2019	\$ 3,223.01	County	\$ 76.56		Two checks from the County: First was for \$1,121.51 and included the following: \$132.06 for meals during Omaha Show Exhibit. Original request was \$187.67. Request was reduced to \$132.06. Detailed receipts provided for all meals. \$49.45 for a t-shirt, coffee samples, and a honey sample for the Fair Managers meeting (Burwell/Garfield County Bag). Receipts provided. \$150 for Agri-Tourism course for Jarecke and Sawyer. Conference info included. Course February 26-28, 2019 in Ord. \$790 for lodging for Omaha Show – \$316 each for Roblyer and Thoene and \$158 for Dickman. Taxes not paid. Receipts attached. The second check was for \$2,101.50. \$44 for postage for the Omaha Show mailing. A receipt for 80 stamps was provided. \$2,057.50 to Maly Marketing for invoice dated 2/16/2019 for payment one of four for the strategy, design, and programming of new website along with SEO/ Digital Set up. Invoice was \$2,547.50 less \$490 for credit on a previous project. \$76.56 from County to Mr. Sawyer for mileage reimbursement. 132 miles at \$.58 per mile to Albion on 3/21/2019. Miles are reasonable.
5/2019	\$ 150.00	City			Check from City to Chamber for \$150 annual dues payment to the Nebraska Economic Developers Association. <b>Receipt was provided by the County but was not on letterhead.</b> The APA requested additional information from Mr. Sawyer, and he provided an email regarding the annual dues and a receipt for the dues.

City of Burwell and Garfield County  
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 September 2016 to October 2019

**Exhibit A**

County or City Reimbursements to Chamber of Commerce			County Reimbursement Directly to Mr. Sawyer	City Reimbursement Directly to Mr. Sawyer	
Month	Amount	City or County			
5/2019	\$ 6,506.62	County			<p>Four checks from the County to the Chamber: First was for \$734.67 and included: \$666.67 for Leads annual program through VisitNebraska.com. Invoice provided to Miles Partnerships, the official publisher of the Nebraska Tourism Commission. \$68 for reimbursement for candy for the Omaha Show. Dollar General receipt for \$68 on 2/20/2019 provided. Next check was for \$2,742.50 and included: \$195 for State Fair tickets. Order form provided. \$2,547.50 for payment two of four to Maly Marketing in Lincoln for strategy, design, and programming of new website along with SEO/ Digital set up. Invoice attached dated 3/9/2019. Next check was for \$381.95 and included: \$60 for NE Tourism brochure swap fee. <b>No documentation provided by County.</b> The APA requested information from Mr. Sawyer, and he provided a registration form for the Brochure Swap held May 14-15, 2019. \$321.95 for NE Leads Program CVB mailings (postage). <b>Documentation of expense not provided by the County.</b> The APA requested documentation from Mr. Sawyer, and he provided receipts for all of the postage. Next check was for \$2,647.50 and included \$100 in Chamber Bucks for a drawing at the Albion Show. <b>The County provided only a letter to winner of drawing that indicated the letter was a voucher for \$100.</b> The APA requested documentation from Mr. Sawyer, and he provided an invoice that included the number range of 20 certificates. He also provided images of the redeemed certificates from April 2019. \$2,547.50 for strategy, design, and programming of new website along with SEO/Digital set up. Invoice dated 4/10/2019 from Maly Marketing.</p>
6/2019	\$ 684.29	County		\$ 87.00	<p>Two checks from the County to the Chamber: First was for \$484.29 and included: \$307.85 in postage reimbursement for Leads program mailing. \$59.45 for postage mailing for Calamus 1/2 century Bike Tour. <b>Adequate documentation was not provided by the County. The APA requested documentation from Mr. Sawyer, and he provided only one receipt for \$18.45.</b> \$116.99 for lodging for the NE Tourism brochure swap. Hotel in Lincoln for 5/14/2019 taxes were not paid. Next check was \$200 for Chamber Bucks for the Omaha Show drawing winner and the State Fair drawing winner. <b>The County provided letters to the winners as support, which isn't adequate.</b> The APA requested documentation from Mr. Sawyer, and he provided an invoice with the number range of 20 certificates. <b>No images were provided so it appears the \$100 in Chamber Bucks is still outstanding. He also provided a second invoice with the number ranges of 20 certificates, as well as images of 20 certificates redeemed in June 2018. The certificates were redeemed after the invoice date.</b> \$87 from City to Mr. Sawyer: reimbursement request was provided by the City for 34 miles to Ord, NE for a meeting with the Attorney and City Administrator regarding the Community Center on April 17, 2019. The rate per mile was \$.58 for a total of \$19.72. A second reimbursement request was provided for 116 miles to Atkinson, NE for a Central NE Economic Development District meeting on May 21, 2019. The rate per mile was \$.58 for a total of \$67.28. The total of the two requests is \$87. Miles to both locations were reasonable.</p>

City of Burwell and Garfield County  
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 September 2016 to October 2019

**Exhibit A**

County or City Reimbursements to Chamber of Commerce			County Reimbursement Directly to Mr. Sawyer	City Reimbursement Directly to Mr. Sawyer	
Month	Amount	City or County			
7/2019	\$ 919.73	County			One check from County to Chamber for \$919.73 including: \$95 for the maintenance of brochure racks at various locations. There was an individual who performed the services on 6/27/2019 and 7/3/2019. A list of the locations with the completion time of the maintenance was provided. For 6/27, it appears the maintenance occurred between 9 am and 12 pm. The time record showed 3.25 hours. The individual was paid 3.25 hours at \$15 or \$50. (This amount does not foot.) On 7/3, the completion times were from 10:37 to 12:37 or a total of two hours. She was paid for three hours at \$15 per hour or \$45. <b>The time sheets do not have both start and stop times and are not signed by anyone. Therefore the documentation is not adequate.</b> \$191.40 for postage, printing, and supplies: <b>No documentation was provided for the expenses.</b> \$633.33 for the reimbursement of 1/3 of the Ad in the 2020 Nebraska Traveler magazine. The completed media kit, showing a 1/3 page ad for \$1,900 was included.
8/2019	\$ 1,149.17	County			One check from the County to Chamber for \$1,149.17 including: \$180 rack maintenance for CVB brochures. Individual worked the following dates – three hours on 7/10, two hours on 7/17, three hours on 7/25, and four hours on 8/1. Individual was paid for \$15 per hour of work for a total of \$180. As noted previously, the documentation provided included a list of locations and the completion time. <b>Time records did not indicate a start time and were not signed.</b> \$172.32 for postage for mailing Leads program and visitor center. <b>Documentation of the expense was not provided by the County.</b> The APA requested documentation from Mr. Sawyer, and he provided receipts for the postage. \$796.85 for parade entry banners, decorations, and supplies. Invoices provided for two tourism parade banners for \$180, an amazon order printout for \$87.68 for garland and float decorating fringe, and an invoice for \$502.01 for mini beach balls. <b>The invoice provided by the County didn't properly foot.</b> The APA requested documentation from Mr. Sawyer and he provided an invoice that included a discount and agreed to the amount paid. \$27.16 for supplies from Spelts Lumber Company for supplies for the downtown mural project. Invoices provided.



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 September 2016 to October 2019

**Exhibit A**

County or City Reimbursements to Chamber of Commerce			County Reimbursement Directly to Mr. Sawyer	City Reimbursement Directly to Mr. Sawyer	
Month	Amount	City or County			
9/2019	\$ 466.70	County			Two checks from the County to Chamber for \$466.70 including: \$421.70 for rack maintenance and postage as follows: \$127.50 for rack maintenance on 8/13, 8/23, 9/3, 9/6, 9/10, and 9/13. <b>Documentation was not sufficient as time records did not include start times and was not signed.</b> \$294.20 for postage for State Fair Mailings and Chamber Bucks. <b>The County only provided one receipt for \$99 from post office.</b> The APA requested additional information from Mr. Sawyer, and he provided the other receipt. There was also \$50 in Chamber Bucks. <b>The County only provided a letter for a \$50 voucher for chamber bucks related to the Jr High Rodeo finals.</b> The APA requested documentation from Mr. Sawyer, and he provided an invoice from August 2019 that included the number range of the 10 certificates. He also provided images for certificates redeemed in June 2019. The second check was for \$45 for State Fair tickets. <b>The Only documentation provided by the County was a bank statement showing debit transaction.</b> The APA requested documentation from Mr. Sawyer, and he provided a receipt from the Pump & Pantry for the purchase of five adult State Fair passes at \$9 each.
10/2019	\$ 556.52	County	\$ 96.28		One check from the County to Chamber for \$556.52 including: \$270 for Tourism Ads, which was supported by a statement from KNVL FM that referred to invoice 19070228 from July for 15 60-second spots. \$45 for rack maintenance on 9/20 and 9/21. <b>Documentation was not adequate as the time records didn't include start times and were not signed.</b> \$225 for NE Tourism Conference registration. <b>The County did not provide adequate documentation to support the expense.</b> The APA requested documentation from Mr. Sawyer, and he provided a registration for Stacie Roblyer for \$225. \$16.52 for meals on 8/22/2019 in Grand Island for the State Fair set up. Receipts provided. \$96.28 check from County to Mr. Sawyer for mileage reimbursement. The reimbursement form was not provided. The date of the travel was not noted or the number of miles. <b>The County did not provide adequate documentation.</b> The APA requested documentation from Mr. Sawyer, and he provided the request for reimbursement form with the details of the trip, which included 166 miles to Grand Island on 8/22/2019 to set up for the State Fair. Miles paid were reasonable.
<b>Totals</b>	<b>\$ 38,750.53</b>		<b>\$ 1,296.18</b>	<b>\$ 1,052.25</b>	