

INVESTIGATIVE AUDIT

TOWN OF BOYNTON

January 10, 2019



Oklahoma State
Auditor & Inspector
Gary A. Jones, CPA, CFE

TOWN OF BOYNTON
MUSKOGEE COUNTY, OKLAHOMA
INVESTIGATIVE AUDIT
JUNE 1, 2014 THROUGH JULY 31, 2016



Oklahoma State Auditor & Inspector

2300 N. Lincoln Blvd. • State Capitol, Room 123 • Oklahoma City, OK 73105 • Phone: 405.521.3495 • Fax: 405.521.3426

January 10, 2019

TO THE HONORABLE ORVIL LOGE, DISTRICT ATTORNEY, DISTRICT 15

Pursuant to your request and in accordance with the requirements of **74 O.S. § 212(H)**, we performed an investigative audit of the Town of Boynton for the period June 1, 2014 through July 31, 2016.

The objectives of the investigation primarily included, but were not limited to, the concerns noted in your request letter. The results of the investigation related to these objectives are presented in the accompanying report.

Because the procedures of this engagement did not constitute an audit conducted in accordance with generally accepted auditing standards, our office does not express an opinion on the account balances or financial statements of the Town of Boynton for the period June 1, 2014 through July 31, 2016.

The goal of the State Auditor and Inspector is to promote accountability and fiscal integrity in state and local government. Maintaining our independence as we provide this service to the taxpayers of Oklahoma is of utmost importance.

This report is addressed to and is for the information and use of the District Attorney as provided by statute. This report is also a public document pursuant to the Oklahoma Open Records Act in accordance with **51 O.S. §§ 24A.1, et seq.**

Sincerely,

A handwritten signature in blue ink, reading "Gary A. Jones", is positioned below the word "Sincerely,".

GARY A. JONES, CPA, CFE
OKLAHOMA STATE AUDITOR & INSPECTOR

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Executive Summary

WHY WE CONDUCTED THIS AUDIT

The Honorable Orvil Loge, District Attorney for the 15th District of Oklahoma, requested the assistance of the Oklahoma State Auditor and Inspector in conducting an investigative audit of the books and records of the Town of Boynton.

WHAT WE FOUND

The Town of Boynton has been embroiled in fraud, waste, abuse, and financial mismanagement for several years. There has been evidence of embezzlement and misappropriation of funds as far back as 2009. (Page 2)

The culture of noncompliance in the Town begins with a lack of properly elected officials (Page 10) and culminates in the lack of records, lack of oversight, misuse of public assets, and finally a material misappropriation of funds.

Former Town Clerk Candace Lang misappropriated \$76,656.98 of town funds, writing 145 checks to herself in excess of her approved payroll compensation amount of \$37,600. (Page 4)

Former town employee Willie Hopkins received \$37,537.68 in questionable compensation, above his approved payroll compensation amount of \$36,000. Hopkins was a full-time employee of the Town, hired as a “water man”, but was only certified as a water operator for eight of the 23 months he was employed. (Page 6)

Mayor Kay Lang received a total of \$1,078.82 in questionable compensation. (Page 8)

The independent auditor who performed the June 3, 2016, audit reported that former Town Clerk Candace Lang and former water operator Willie Hopkins “colluded to misappropriate assets of the Town.”

Evidence suggest that a comprehensive lack of internal controls, a lack of Board oversight, and disregard for the law in the management of the Town’s finances contributed to the misappropriation of funds. This lack of controls and oversight of management included, but was not limited to: (Page 13)

- Blank checks being signed with no accompanying documentation;
- All annual audits were not performed as required by statute;
- Purchase orders were not being utilized for all expenditures;
- Payments were made with only one approved signature; and
- Bank statements were not reconciled and financial reports were not presented to or reviewed by the Board.

Additional issues noted in our investigation included: (Page 13)

- Payroll records were missing from Town Hall;
- Official meeting agendas and minutes were not maintained and were incomplete as to actions taken by the Board; and
- Records supporting the receipt and expenditure of funds did not exist, were destroyed, or had been removed from Town Hall.

Town of Boynton – Investigative Audit

Introduction

The municipal government of the Town of Boynton (Town) is organized under the statutory town board of trustee's form of government, as outlined in **11 O.S. §§ 12-101, *et seq.*** Section 12-101 of the statutes states:

The form of government provided by Sections 11-12-101 through 11-12-114 of this title shall be known as the statutory town board of trustees form of government. Towns governed under the statutory town board of trustees form shall have all the powers, functions, rights, privileges, franchises and immunities granted, or which may be granted, to towns. Such powers shall be exercised as provided by law applicable to towns under the town board of trustees form, or if the manner is not thus prescribed, then in such manner as the board of trustees may prescribe.

The Boynton Public Works Authority (Authority or PWA) is a public trust established under **60 O.S. §§ 176 *et seq.*** The Authority was established for the benefit of the Town and provides water and utility services to the residents of the Town. The Town Trustees also serve as the Board for the Authority.

The Town operates on a fiscal year that runs from July 1 through June 30.

Background

District Attorney Orvil Loge's request was the second SA&I investigation, and the third overall investigation, in four years into allegations of misappropriation involving at least four former Town employees. Between 2014 and 2017 the Town transitioned through the election¹ or appointment of nine different trustees, three town clerks, and two mayors.

SA&I released a special audit of the Town in February 2014, which detailed irregularities in utility billing, unexplained compensation for a former Town employee, as well as a general lack of oversight by the Town Board during the period of October 1, 2009 through June 30, 2013. No charges were filed as a result of this investigation.

In April 2014 the District Attorney's office filed felony embezzlement and forgery charges against former town clerk Brittany Page. The case resulted in a guilty plea and court ordered restitution.

As a result of continued embezzlement, mismanagement, and lack of appropriate and effectual oversight, the Town has not been able to meet financial obligations or provide acceptable execution of Town business as is reflected in this report.

In March 2014 the Town's water supplier, The Haskell Public Works Authority, sought civil relief from the Muskogee County District Court

¹ See the finding on election issues at Page 10.

Town of Boynton – Investigative Audit

when the Town failed to make approximately \$59,141.59 in payments. The balance due on the account as of April 2018 was \$33,176.80

A second civil case was filed by Mahan Construction in 2015, when the Town did not pay a contractor for water line repairs. The case resulted in a \$7,225.50² judgement against the Town. The Town was ordered to make annual payments on the judgement until it was satisfied. As of May 2018, no payments had been made on this judgement and the judgement continues to accrue interest of 5.25 percent annually until paid.

During our audit period, June 1, 2014 through July 31, 2016, the Town continued to be affected by ineffectual management with continued debt, non-compliance with statutes and ordinances, and questionable financial practices.

² See invoice from Mahan Construction at Exhibit 1.

OBJECTIVE I PAYROLL

Summary of Findings:

- **It appears former Town Clerk Candace Lang misappropriated \$76,656.98 of town funds.**
 - **The Town's former employee Willie Hopkins received \$37,537.68 in questionable compensation.**
 - **Mayor Kay Lang received a total of \$1,078.82 in questionable compensation.**
-

Background

Payroll related compensation occurring between January 1, 2014 and August 31, 2016, was scheduled and evaluated to determine the source and purpose of the payments made.

The compensation paid to employees, and some elected officials, was compared to available ordinances, contracts, and board minutes, to determine if payments made were proper in amount and properly authorized.

As a result of this review, it appeared that payments made to former Town Clerk Candace Lang, former water operator Willie Hopkins, and Mayor Kay Lang included questionable compensation and misappropriated funds.

It should be noted that the majority of the misappropriated and questionable payments discussed below were prepared and issued by Candace Lang, and signed by both Candace Lang and Mayor Kay Lang.

Former Town Clerk Candace Lang

Finding

It appears former Town Clerk Candace Lang misappropriated \$76,656.98 of town funds.

Bank records reflected that 199 checks totaling \$123,717.94 were issued to Candace Lang during the 23.5 month period she served as town clerk, August 1, 2014 through July 19, 2016.

Of the \$123,717.94 paid to Lang, the only board authorized payments were her salary of \$800 bi-monthly, 54 checks which totaled \$37,600 for the period of her employment.

Town of Boynton – Investigative Audit

Almost all of the remaining 145 checks³ issued to Lang contained notes on the check memo lines, each describing the alleged purpose of the compensation including, but not limited to, payroll, partial-pay, bills, bill reimbursements, supplies, stamps, mileage, etc. We found no evidence that any of these payments had been authorized by the Board.

Check 'Memo Line' Description	Number of Checks Issued	Amount
Payroll or Partial Pay	35	\$27,641.00
Bill Payments	38	\$29,743.48
Reimbursements	31	\$13,975.00
Miscellaneous Payments	24	\$9,808.46
Mileage	11	\$2,950.00
Meter Reading	4	\$1,350.00
Mowing	2	\$650.00
Totals	145	\$86,117.94

As indicated in the table, the checks issued to Lang included memo notes which reflected that the checks written were for a town purpose. Candace Lang asserted she was cashing the extra checks made payable to her and paying town expenditures with cash or money orders. At the outset of the investigation, Lang could not provide receipts, invoices, or purchase orders to support that cash and money order payments had been made by her for legitimate town expenses.

Toward the end of the investigation, Candace Lang and Mayor Kay Lang provided documents⁴ that were represented as support for cash transactions. The documents provided were compared to information obtained by SA&I from town vendors⁵ to determine if payments on town bills had been made by cash or money order.

Based on this review, it appeared that \$9,460.96, could be attributed to cash or money order transactions. Allowing for these transactions, the resulting funds unaccounted for and misappropriated by Candace Lang were \$76,656.98

Total Checks Written to Candace Lang Without Supporting Documentation or Approval	\$86,117.94
Less: Alleged Cash Transactions	(\$9,460.96)
Total Funds Misappropriated by Candace Lang	\$76,656.98

³ See examples of checks at Exhibit 7.

⁴ These documents were not maintained at town hall.

⁵ i.e. Oklahoma Gas & Electric, Oklahoma Natural Gas, Haskell Public Work Authority

The payments noted above for mileage, meter reading, and mowing were also not approved by the Board, and no mileage logs, odometer readings, time records or any other records were provided to support the payments. As such, these totals are also included in total misappropriated funds.

Payments for town expenses should not be made with cash or money order. According to **11 O.S. § 17-102(B)**, *checks* shall be prepared and issued in accordance with municipal ordinance or law. *Invoices are required to be presented in writing* and the municipality shall establish an internal control structure to provide reasonable assurance against unauthorized or illegal payments of invoices.

Willie Hopkins – Former Employee

Finding

The Town’s former employee Willie Hopkins received \$37,537.68 in questionable compensation.

Willie Hopkins was officially hired as a “water man” by the Board August 25, 2014. Hopkins resigned his position July 11, 2016.

4. Hire of new water man and action

**Kay Lang motioned to hire Willie Hopkins as water man
Eloise Greer 2nd the motion**

All yes

Bank records reflected that 85 checks totaling \$73,537.68 were issued to Hopkins during the approximate 23-month period he was employed with the Town. Of the \$73,537.68 paid to Hopkins, the only board authorized payments were his salary of \$800 bi-monthly, totaling \$36,000.

The remaining checks⁶ totaling \$37,537.68 were also issued payable to “Willie Hopkins”. According to Hopkins he provided services to the Town, and these additional checks, although made payable to “Willie Hopkins”, were for work done through his business, not as an employee.

Per Hopkins, the work done for the Town was through his business, *Home Maintenance Plus*. However, there were no receipts, invoices, purchase orders, or other records provided to support the payments for the alleged work done through *Home Maintenance Plus*. We also found no evidence that any of these payments had been officially authorized by the Board. The questionable checks payable to Hopkins contained notes on the memo lines describing the alleged purpose of the payments. These notes included, but were not limited to, “tap and line parts, gas taps, lagoons, supplies, etc.”

⁶ See examples of checks at Exhibit 8.

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It could not be determined if Hopkins employment as a full-time “water man” for the Town should have included these duties.

Because there were no timesheets or time records maintained for Hopkins, it could not be definitively determined if the work Hopkins claimed he was paid for through his “personal business” were actually duties performed during town work hours as part of his town duties. However, the completion of over \$37,000 of work outside of normal business hours appears questionable.

Invoices

At the end of audit fieldwork, former clerk Candace Lang provided approximately 29 invoices to support payments made to Hopkins, doing business as *Home Maintenance Plus*.

Only two of the invoices provided, #264735 and #264738, corresponded to checks issued to Hopkins between June 2014 and July 2016. Check number 2259 was issued in the amount of \$450.00 dated March 21, 2015. This check featured the notation “Inv. 264735” in the memo field. Check number 2268 dated April 7, 2015, was issued in the amount of \$750.00, the memo line featured the notation “Inv. 264738”.

The image displays two checks and two invoices. The checks are from the Town of Boynton, payable to Willie Hopkins. Check #2259 for \$450.00 is dated 3-21-15, and check #2268 for \$750.00 is dated 4-7-15. Both checks are signed by Cathy Gaines. The invoices are for 'Home Maintenance Plus' services. Invoice #264735, dated 3/13/15, details a water leak repair in an alley, with parts supplied by the city and labor costing \$450.00. Invoice #264738, dated 4/5/15, details a water leak repair on a main line, with labor costing \$750.00. Both invoices are signed by Willie Hopkins.

Check Number	Amount	Date	Payee	Signature
2259	\$450.00	3-21-15	Willie Hopkins	Cathy Gaines
2268	\$750.00	4-7-15	Willie Hopkins	Cathy Gaines

Invoice Number	Date	Service Description	Amount
264735	3/13/15	REPAIR WATER LEAK IN ALLEY BEHIND MOTHER LANG SOUTH END OF PROPERTY	\$450.00
264738	4/5/15	REPAIR WATER LEAK ON MAIN 62. BURST PIPE	\$750.00

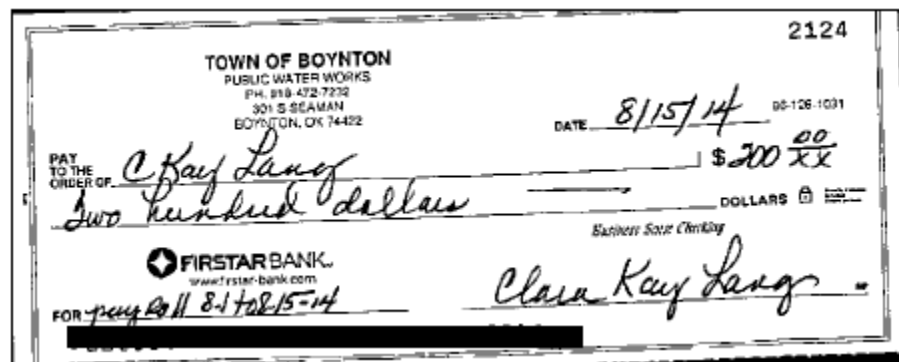
[illegible]

⁸ See Exhibit 3

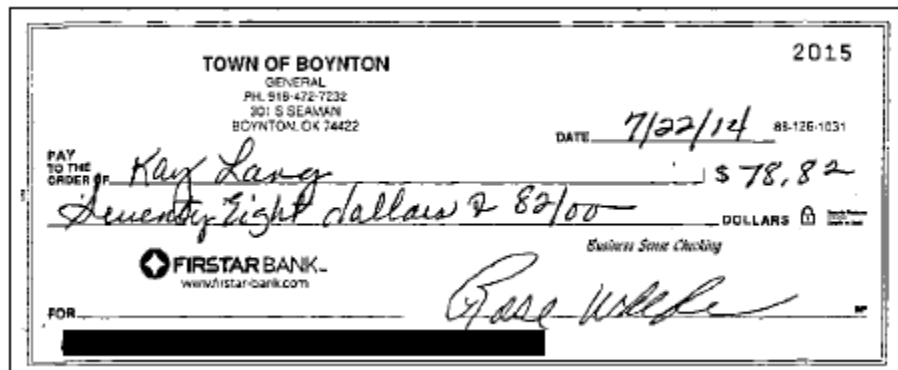
Town of Boynton – Investigative Audit

Despite Lang's election to the Board on July 22nd, and her corresponding resignation as clerk, a payment in the amount of \$200 was made to Lang for two weeks of work as a part-time office assistant on August 15, 2014. Lang's election and resignation would have eliminated her position as an assistant precluding the \$200 in compensation received. The \$200 payment to Lang was an improper payment.

It should also be noted that the \$200 payment made to Kay Lang, on check 2124, was a payment to herself, signed by her, with no second signature or approval.



On July 22, 2014, Kay Lang received a payment of \$78.82. There was no evidence provided to support the purpose or approval of the \$78.82 payment. With no supporting documentation available, the \$78.82 payment was deemed an improper payment.



The total questionable compensation paid to Mayor Kay Lang appeared to be \$1,078.82.

Questionable Compensation to Mayor Kay Lang	
Compensation Type	Amount
Town Clerk Payroll	\$800.00
Office Assistant – Hourly Pay	\$200.00
Undocumented Reimbursement	\$78.82
Total	\$1,078.82

OBJECTIVE II TOWN MANAGEMENT

Summary of Findings:

- **The Town did not hold municipal elections or elect town officers in compliance with statute.**
- **The Town did not withhold payroll taxes from employee compensation or submit the applicable tax returns to each governmental taxing agency as required.**
- **The Town has not obtained all annual audits as required by statute.**
- **Town officials were paid salaries that exceeded limits set by ordinance.**
- **There was a comprehensive lack of internal controls, Board oversight, and compliance with law in the management of the Town's finances. This lack of oversight appears to have contributed to the misappropriation of town funds.**
- **Records were destroyed or removed from town hall. Adequate records did not exist to properly account for all transactions of the Town.**

Elections

Finding

The Town did not hold municipal elections or elect town officers in compliance with statute.

The Town of Boynton has a population of approximately 250 residents. The Town should conduct their municipal elections in compliance with the Oklahoma Town Meeting act as defined in **11 O.S. §§ 16-301, *et. seq.*** The Act provides that municipalities with fewer than 2,000 residents shall elect officers at biennial town meetings or special town meetings of the voters. The statute states in part:

Except as otherwise provided in this act...all municipalities with fewer than two thousand (2,000) residents, according to the latest Federal Decennial Census, that are not governed by charter, shall elect officers and consider questions raised by initiative or referendum, pursuant to Section 15-101 et seq. of this title, at biennial town meetings or special town meetings of the voters of each municipality as provided in this act.

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The Act does allow a municipality of fewer than 2,000 residents to adopt an ordinance requiring that its officers be elected through elections conducted by the county election board; however, the Town has not adopted such an ordinance.

According to **Chapter 3, Section 2-307⁹** of the Town's ordinances, the officers of the Town are the Mayor, each Trustee, the Town Clerk, and the Town Treasurer. According to **Section 2-301 and 2-302** of the Town's ordinances, the Town Clerk and the Town Treasurer are elected officials of the Town, each for a four-year term to be determined at the general municipal election.

The clerk is to be elected for a four-year term at the election in which trustees from odd-numbered wards are elected, and the treasurer is to be elected for a four-year term at the election in which trustees from even-numbered wards are elected.

The Town did not hold an election for the town clerk or the town treasurer position. The town treasurer position was not filled during our audit period. Kay Lang was *appointed* town clerk by the Board on April 14, 2014, she was not elected as required by law.

Candace Lang was appointed by the Board, effective August 1, 2014, she also was not elected as required by law.

On July 22, 2014¹⁰, the Town held a municipal election to elect five new board members. This meeting was held in violation of **11 O.S. § 16-303** which states in part:

... a biennial town meeting of the voters shall be held on the **first Tuesday in April in each odd-numbered year** for the purpose of electing municipal officers and considering questions raised by initiative or referendum... [Emphasis added]

The public notice of the election, as required by **11 O.S. § 16-304**, was also not complied with.

Finding

The Town did not withhold payroll taxes from employee compensation or submit the applicable tax returns to each governmental taxing agency as required.

Payroll, Social Security, and unemployment taxes were not withheld from employee payroll checks. Employees were paid their gross compensation.

⁹ See Ordinance at Exhibit 4.

¹⁰ See election notice at Exhibit 5.

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As a result, the proper tax returns were not filed with the State of Oklahoma or the Internal Revenue Service.

Finding

The Town has not obtained all annual audits as required by statute.

In early 2013, the Town of Boynton attempted to hire a local CPA firm to address a five-year backlog of Town audits. However, no reports were issued, and the Town continued to operate without obtaining an annual audit as required by statute.

In April 2016, the Town hired *M&M Consulting Partners PLLC (M&M)* to perform an audit of the Town for the fiscal years ending June 30, 2015 and June 30, 2016. The audit reports prepared by *M&M* dated July 11, 2016, and May 24, 2017, although completed, were never officially filed with SA&I as required by **74 O.S. § 8-212A**.

However, *M&M*'s reports were issued and depicted a lack of sufficient and appropriate audit evidence to provide a true and fair view of the financial position of the Town. *M&M*'s reports also reflected adverse opinions detailing multiple concerns about the Town's management.

It was reported in their June 30, 2016 audit, former Clerk Candace Lang and water operator Willie Hopkins "colluded to misappropriate assets of the Town."

Finding

Town officials were paid salaries that exceeded limits set by ordinance.

Chapter 3, Section 2-301¹¹ of the Town's ordinances reflects that the Town Clerk is an elected official of the town. According to **the last approved Section 2-307¹²** of the town ordinance, the Town Clerk was to receive a salary of \$500.00 per month.

3. Town Clerk; shall be paid Five hundred dollars (\$500.00) per month, plus 32 cents(.32) per mile for expense while traveling on Town business outside the corporate limits of the Town;

Candace Lang was paid \$800 bi-monthly in violation of ordinance. Trustees Angela Jackson, Cathy Gaines, Janice Powell, and Eloise Greer represented to SA&I a salary of \$1,600 a month was agreed upon verbally. This salary amount was not approved and recorded in the available minutes; however, bank records indicated the clerk position was paid a salary of \$800.00 bi-monthly.¹³

¹¹ See Ordinance at Exhibit 6.

¹² See Ordinance at Exhibit 4.

¹³ As noted in the finding on Page 4, Candace Lang was given credit for the salary of \$800 bi-monthly in our calculation of misappropriated funds.

Finding

There was a comprehensive lack of internal controls, Board oversight, and compliance with law in the management of the Town's finances. This lack of oversight appears to have contributed to the misappropriation of town funds.

The Town Board, the Mayor, and the Town Clerk each have a responsibility to govern and implement effective controls to help insure town finances are properly managed and town assets are properly protected.

Our review of the financial condition of the Town reflected that:

- Blank checks were signed with no accompanying invoices, purchase orders, or approvals. Mayor Kay Lang and former board member Cathy Gaines were authorized to sign checks. Gaines admitted to signing blank checks for Candace Lang to use when needed.
- Official meeting agendas and minutes were not maintained by the Town. Meeting minutes were incomplete and appeared to be missing information regarding the complete actions of the Board.
- Payroll records were missing from Town Hall.
- Purchase orders were not utilized for all expenditures and receipts were not maintained to support payments made.
- In January 2015, Kay Lang was approved to be the third authorized signature on payments.

Kay Lang will be a 3rd signature when Candace or Cathy are unavailable. Cathy Gaines and Candace Lang will be primary check signers. Motion made by Clara Kay Lang and 2nd by Eloise Greer

After January 2015, at least 17 payments were issued with only one authorized signature.

- Bank statements were not reconciled, and financial reports and reconciliations were not presented or reviewed by the Board.

Finding

Records were destroyed or removed from town hall. Adequate records did not exist to properly account for all transactions of the Town.

As required by statute, records of all financial transactions are required to be kept by public officials. Title 51 O.S. § 24A.4 states:

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In addition to other records which are kept or maintained, every public body and public official has a specific duty to keep and maintain complete records of the receipt and expenditure of any public funds reflecting all financial and business transactions relating thereto, except that such records may be disposed of as provided by law.

One method used to conceal a misappropriation of funds is to conceal, alter, or destroy records. Records, including but not limited to, payroll records, time reports, purchase orders, board agendas, board minutes, receipts, invoices, and contracts could not be provided. Audits released by the independent audit firm July 11, 2016, and May 24, 2017, detailed a lack of sufficient and appropriate audit evidence to provide a true and fair view of the financial position of the Town.

The Town had no accountability for the unreliable and/or missing records resulting in the inability to determine the extent of misappropriated town funds.

Exhibit 1


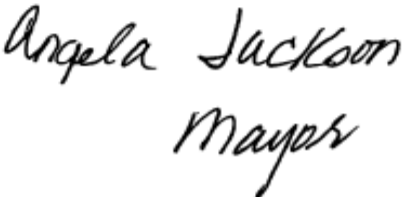
<u>MAHAN CONSTRUCTION INC</u>	
<u>33717 E. 750 ROAD</u>	
<u>WAGONER, OK. 74467</u>	
August 7, 2014	
Town of Boynton Boynton, OK	
Repaired 6" Water Line at Creek Crossing.	
Total:	\$7000.00
Thank You,	
	
Bobby and Janet Mahan	
	

Exhibit 2

Minutes from meeting held on April 14th 2014 @ 7:00pm

Meeting called to order by Mayor Ms. Walker

Prayer by Mr. Leonard Walker

Pledge of Allegiance led by Mayor Rose Walker

Roll call

Mrs. Walker Present

Mrs. Lee Present

Mrs. Jackson Present

Mrs. Kelly Present

Reading of minutes- Minutes unable to be reported due to lack of recording clarity

Financial Records- Unable to present information due to lack of info

USDA- Representative stated we were 2 payments behind and explained we have a 40 year USDA loan and stated the amount that must be paid. We paid \$735.00 to make loan up to date. She agreed to send current invoice and explained the next payment would be drafted directly from the PWA account.

Executive Session: Agreed to hire Kay Lang as acting city clerk and Candace Lang as her assistant for 3 months and will work 2 days for 5 hours per day at \$10.00 per hour. After 3 months Candace will become the city clerk and will be paid the salary given to the acting clerk and Kay Lang will work 2 days per week for \$10.00 per hour for 5 hours

Exhibit 3

Dear Board of Trustees:

My name is Kay Lang and I was hired to work 2 days per week @ \$10.00 per hour starting August 1, 2014. Due to my board member acceptance I will have to decline this position. I am more than willing to come and volunteer my time and services. I am not seeking any wages for my services I am volunteering my time. I am sorry for any inconvenience this may have caused but again I am still going to volunteer my time and services. Should you have any questions, concerns or need additional information please give me a call @ (918) 519-2091.

Exhibit 4

SECTION 2-307 SALARIES.

The compensation of all elective Town Officers, including the following, shall be fixed by ordinance:

1. Mayor;
2. Each Trustee
3. Town Clerk; and
4. Town Treasurer

State Law Reference: Compensation of Town elected officers, 11 O.S. Section 12-113; Increasing salary during term, Oklahoma Constitution, Article 23, Section 10.

ORDINANCE

SECTION 2-307

SALARIES

Be it ordained by the Board of Trustees of the Town of Boynton, Oklahoma, that the provisions of this ordinance shall become and be made part of the code of ordinances of the Town of Boynton, Oklahoma, and the sections of this ordinance may be re-numbered to accomplish this intention.

The compensation for the officers of the Town are;

1. Mayor; shall be paid One hundred (\$100.00) monthly plus 32 cents (.32) per mile for expense while traveling on Town business outside the corporate limits of the Town;
2. Each Trustee; shall be paid Two hundred fifty dollars (\$250.00) per year to be paid semi-annually;
3. Town Clerk; shall be paid Five hundred dollars (\$500.00) per month, plus 32 cents (.32) per mile for expense while traveling on Town business outside the corporate limits of the Town;
4. Town Treasurer; shall be paid One hundred fifty dollars (\$150.00) per month, plus 32 cents (.32) per mile for expense while traveling on Town business outside the corporate limits of the Town.

This Ordinance shall take effect and be in full force from and after its passage as provided by law.

YEAS 3
NAYS 1
ABSENT 0

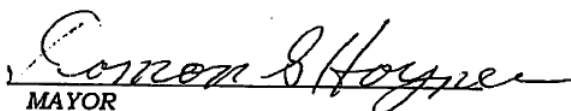

MAYOR

Exhibit 5

Attention!!!

Attention!!!

Attention!!!

Citizens of Boynton there will be an official election **July 22, 2014 @ 7:00 p.m.** for seats 1, 2, 3, 4 & 5. This will be an **at large election**, everyone that pays a water bill to the city hall can vote. Should you have any questions or need additional information please call (918)472-7232. Please come out and vote for your new board members. We look forward to seeing you at the town meeting and our new beginning!

Exhibit 6

SECTION 2-301 TOWN CLERK

A. The Town Clerk is an elected official of the town, for a four-year term at the general municipal election in which trustees from odd-numbered wards are elected. The Town Clerk shall:

- 1. Keep the journal of the proceeding of the board;**
- 2. Enroll in a book kept for that purpose all ordinances and resolutions passed by the board;**
- 3. Have custody of documents, records and archives as may be provided by law or ordinance and have custody of the town seal;**
- 4. Attest and affix the seal of the Town to documents as request by law or ordinance; and**
- 5. Have such other powers, duties and functions as may be prescribed by law or ordinance or by the board.**

B. When the words "Clerk" or "Town Clerk" are used in this code or in other ordinances of the Town, they shall be deemed to mean the Town Clerk or the Deputy Town Clerk unless another meaning is clearly indicated by the context.

C. In accordance with Section 8-106 of Title 11 of the Oklahoma Statutes, the Town Clerk shall have the authority to appoint one or more Deputy Town Clerks, subject to confirmation by the Board of Trustees. Deputy Clerks may be removed by the Board of Trustees at a regular meeting and such Clerks may hold more than one office or position in the Town government as the Board of Trustees may ordain. (Ordinance No. 81-2,1/22/81)

State law Reference: Clerk duties, 11 O.S. Section 12-109; Election of Clerk, 11 O.S. Section 16-205; Vacancies, 11 O.S. Section 8-109.

Town of Boynton – Investigative Audit

Exhibit 7

<p>06/02/2016 101 \$1,200.00</p>	<p>06/10/2016 2652 \$1,600.00</p>
<p>06/03/2016 101 \$800.00</p>	<p>06/14/2016 2653 \$1,600.00</p>
<p>06/03/2016 101 \$1,500.00</p>	<p>06/20/2016 2656 \$300.00</p>
<p>06/06/2016 101 \$800.00</p>	<p>06/24/2016 2659 \$500.00</p>
<p>06/17/2016 2655 \$200.00</p>	<p>06/27/2016 2663 \$100.00</p>

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Exhibit 8

TOWN OF BOYNTON
PUBLIC WATER WORKS
214 N.W. 27th St.
Boynton, OK 74422

DATE: 5-4-15

PAY TO THE ORDER OF: 3686 Hopkins
Eight Hundred Dollars

\$ 800.00

FIRSTSTAR BANK

FOR: Payroll

Class K Long

05/04/2015 2287 \$800.00

TOWN OF BOYNTON
PUBLIC WATER WORKS
214 N.W. 27th St.
Boynton, OK 74422

DATE: 5-19-15

PAY TO THE ORDER OF: 3686 Hopkins
One Thousand Dollars

\$ 1,000.00

FIRSTSTAR BANK

FOR: 3686 Home Repair/Supplies

Class K Long

05/19/2015 2299 \$1,000.00

TOWN OF BOYNTON
PUBLIC WATER WORKS
214 N.W. 27th St.
Boynton, OK 74422

DATE: 5-14-15

PAY TO THE ORDER OF: 3686 Hopkins
Eight Hundred Dollars

\$ 800.00

FIRSTSTAR BANK

FOR: Payroll

Class K Long

05/19/2015 2295 \$800.00

TOWN OF BOYNTON
PUBLIC WATER WORKS
214 N.W. 27th St.
Boynton, OK 74422

DATE: 5-19-15

PAY TO THE ORDER OF: 3686 Hopkins
One Thousand Dollars

\$ 1,000.00

FIRSTSTAR BANK

FOR: 3686 Home Repair/Supplies

Class K Long

05/29/2015 2300 \$1,000.00

TOWN OF BOYNTON
PUBLIC WATER WORKS
214 N.W. 27th St.
Boynton, OK 74422

DATE: 10-3-15

PAY TO THE ORDER OF: 3686 Hopkins
One Thousand Sixty Six Dollars

\$ 1,065.00

FIRSTSTAR BANK

FOR: Payroll

Class K Long

10/05/2015 2301 \$1,065.00

TOWN OF BOYNTON
PUBLIC WATER WORKS
214 N.W. 27th St.
Boynton, OK 74422

DATE: 10-8-15

PAY TO THE ORDER OF: 3686 Hopkins
One Thousand Fifty Dollars

\$ 1,050.00

FIRSTSTAR BANK

FOR: Tap for Midea

Class K Long

10/08/2015 2303 \$1,050.00

TOWN OF BOYNTON
PUBLIC WATER WORKS
214 N.W. 27th St.
Boynton, OK 74422

DATE: 10-9-15

PAY TO THE ORDER OF: 3686 Hopkins
Four Hundred Dollars

\$ 400.00

FIRSTSTAR BANK

FOR: Leak @ Curb

Class K Long

10/13/2015 2304 \$400.00

TOWN OF BOYNTON
PUBLIC WATER WORKS
214 N.W. 27th St.
Boynton, OK 74422

DATE: 10-16-15

PAY TO THE ORDER OF: 3686 Hopkins
Two Thousand Dollars

\$ 2,000.00

FIRSTSTAR BANK

FOR: Leak @ Curb

Class K Long

10/21/2015 2312 \$2,000.00

DISCLAIMER

In this report, there may be references to state statutes and legal authorities which appear to be potentially relevant to the issues reviewed by the State Auditor & Inspector's Office. This Office has no jurisdiction, authority, purpose, or intent by the issuance of this report to determine the guilt, innocence, culpability, or liability, if any, of any person or entity for any act, omission, or transaction reviewed. Such determinations are within the exclusive jurisdiction of regulatory, law enforcement, prosecutorial, and/or judicial authorities designated by law.



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