

HAYES TOWNSHIP  
BOARD OF TRUSTEES REGULAR MEETING  
January 8<sup>TH</sup>, 2024 7:00 PM  
HAYES TOWNSHIP HALL  
09195 MAJOR DOUGLAS SLOAN RD  
CHARLEVOIX, MICHIGAN 49720  
ZOOM 849 2451 3210

The January 8th, 2024, meeting of the Hayes Township Board was called to order by Supervisor Ron VanZee at 7:00 pm.

Board members present were Matt Cunningham (Trustee), Julie Collard (Treasurer), Doug Kuebler (Trustee), April Hilton (Deputy Clerk/Recording Secretary), Ron VanZee (Supervisor) and Kristin Baranski (Clerk)

Audience Members signed in: LuAnne Kozma, Jim McMahon, Ellis Boal, Roy Griffitts, Carol Umlor, Annie Doyle, David Zipp, Tim Boyko, Omar Feliciano, Janet Simon, Diane McMahon, Mel Czechowski, Patricia Feliciano, Betty Henne, John Donahue, CT Martin, Andrew Wilson, Winnie Boal, and Shelly VanWart.

**CALL TO ORDER**

Supervisor Ron VanZee called the meeting to order at 7:00 pm.

**PLEDGE OF ALLEGIANCE**

**REVIEWED & APPROVED AGENDA**

Mr. Kuebler made a motion, supported by Mr. Cunningham to approve the agenda as amended.

Yays: Matt Cunningham, Julie Collard, Doug Kuebler, Ron VanZee, and Kristin Baranski.

Nays: None                      Motion Carried

**PUBLIC COMMENTS UNRELATED TO AGENDA ITEMS**

Public comment opened and closed at 7:02.

Public comments included:

- Comments attached to minutes.
- Concerned about the audit report and would like to know what the Board is planning to do to fix the issues. Would like to see the board set a special meeting to address the audit report.
- Comments attached to minutes.
- Concerned there is not fence around the green pit at Rieth Riley.
- Concerned with the audit report and would like to see how the Township plans to correct it.

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- Concerned who and what is at fault for the poor audit report. Would like to know what happened in the office and concerned that the township is not compliant with the state laws.
- Would like to know what the previous audit report showed.
- Suggested the township develop a checks and balances process.
- Supports previous comments. Would like to see the audit on this meetings or next meeting's agenda.

Closed at 7:23

**APPROVAL OF DECEMBER 11<sup>TH</sup> 2023 BOT REGULAR MEETING MINUTES:**

Ms. Baranski made a motion, supported by Ms. Collard to approve the December 11<sup>th</sup>, 2023, Board of Trustees regular meeting minutes as corrected.

Yeas: Julie Collard, Ron VanZee, Matt Cunningham, Doug Kuebler, and Kristin Baranski.

Nays: None                      **Motion Carried**

**TREASURERS REPORT**

Ms. Collard presented a written report reporting all Hayes Township account balances.

Ms. Collard, Ms. Baranski and Mr. VanZee presented on the audit report.

Ms. Baranski and Ms. Collard will get a new cost proposal from BS&A.

**CLERKS REPORT: APPROVAL OF WARRANTS**

Clerk, Ms. Baranski, presented the warrants in the amount of \$35,702.45.

Ms. Baranski made a motion, supported by Mr. Kuebler, to approve Township warrants in the amount of \$35,702.45. A roll call was taken.

Yeas: Matt Cunningham, Julie Collard, Ron VanZee, Doug Kuebler, and Kristin Baranski.

Nays: None                      **Motion Carried**

Ms. Baranski made a motion, supported by Ms. Collard to approve the installment payment for the EMS building loan in the amount of \$10,248.13, the total installment payment will be offset 100% by the LCEMSA monthly lease payment. A roll call was taken.

Yeas: Matt Cunningham, Julie Collard, Ron VanZee, Doug Kuebler, and Kristin Baranski.

Nays: None                      **Motion Carried**

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**COUNTY COMMISSIONER REPORT**

NA

**PARKS AND REC. REPORT**

Next meeting will be held on February 5th, 2024, at 6:00pm at Hayes Township Hall.

**PLANNING COMMISSION**

Mr. Cunningham presented the Planning Commission Report. The next regular Planning Commission meeting is January 16th, 2024, at 7:00 pm. A special meeting is scheduled for January 13<sup>th</sup> 2024 at 8:45 am.

**ZONING BOARD OF APPEALS**

Next ZBA meeting is scheduled for January 24<sup>th</sup>, 2024, at 1 pm.

**ZONING ADMINISTRATOR REPORT**

Ron VanZee presented a Zoning Administrator report.  
Report available at the Hayes Township Hall.

**TRUSTEES:**

Mr. Kuebler announced the Charlevoix County Road Commission will be meeting on January 10<sup>th</sup>, 2023. The Township will be asking for speed limit signs on Murry Road and safety signs at the intersection of Bergus and Upper Bay Shore. Will also mention Townline road for a new speed limit sign, especially for the residential area.

**SUPERVISOR REPORT:** Ron VanZee presented a supervisor report.

**SET MARCH BOARD OF REVIEW DATES:**

Ms. Baranski made a motion, supported by Ms. Collard to approve March 5<sup>th</sup> 2024 at 11 am for the organization meeting for the Board of Review.

Yeas: Matt Cunningham, Julie Collard, Ron VanZee, Doug Kuebler and Kristin Baranski.

Nays: None

**Motion Carried**

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Ms. Baranski made a motion, supported by Ms. Collard to approve March 11<sup>th</sup>, 2024, 3pm-9pm and the Following Wednesday March 13<sup>th</sup>, 2024, from 9am – 3pm.

Yeas: Matt Cunningham, Julie Collard, Ron VanZee, Doug Kuebler and Kristin Baranski.

Nays: None

**Motion Carried**

**ASSEST TEST RESOLUTION (POVERTY GUIDELINES):**

Ms. Baranski made a motion, supported by Mr. Kuebler to approve the increase of Hayes Township Poverty Guideline 10% across the board.

Yeas: Matt Cunningham, Julie Collard, Ron VanZee, Doug Kuebler and Kristin Baranski.

Nays: None

**Motion Carried**

TOWNSHIP OF HAYES  
Resolution No. 01082024

At a regular meeting of the Hayes Township Board held at the Hayes Township Hall 09195 Major Douglas Sloan Road, Charlevoix, Michigan 49720 on January 8, 2024 ..

Present: Supervisor Ron VanZee, Treasurer Julie Collard, Clerk Kristin Baranski, Trustee Matt Cunningham, Trustee Doug Kuebler

Absent: None

The following resolution was made by Ms. Baranski and supported by Mr. Cunningham to-wit:

ASSET LEVEL TEST

WHEREAS PA 390 of 1994 states that the poverty exemption guidelines established by the governing body of the local assessing unit shall also include an asset level test.

WHEREAS an asset test means the amount of cash, fixed assets or other property that could be used, or converted to cash for use in the payment of property taxes. The asset test is calculated based on a maximum amount permitted and all other assets above that is considered as available.

WHEREAS the homestead of persons, who in the judgment of the board of review, by reason of poverty, are unable to contribute to the public charges is eligible for exemption in whole or part from taxation under Public Act 390, 1994 (MCL 211. 7u); and

WHEREAS pursuant to PA 390, 1994 Hayes Township, Charlevoix County adopts the following guidelines for the board of review to implement. The asset level test shall include

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but not be limited to the specific income of the claimant and all persons residing in the household, including any property tax credit returns, filed in the current or immediately preceding year.

To be eligible, a person shall do all the following on an annual basis:

1. Be an owner of and occupy as a homestead the property for which an exemption is requested.
  2. File a claim with the board of review, accompanied by federal and state income tax returns for all persons residing in the homestead, including any property tax credit returns filed in the immediately preceding year or in the current year.
  3. Produce a deed, land contract, or other evidence of ownership of the property for which an exemption is requested if requested.
  4. Meet the Federal poverty income standards plus 10% as defined and determined annually by the United States Office of Management and Budget.
  5. Provide a list of asset valuations, including cash on hand, fixed assets, and any other property that could be used, or converted to cash for use in the payment of property taxes.
  6. The board of review shall not include the homesteaded property to calculate the asset level.
  7. If the combined total of cash on hand, fixed assets, and any other property values exceeds the Federal Poverty Guidelines by one (1) time no exemption is allowed
- NOW, THEREFORE, BE IT RESOLVED the board of review shall follow the above stated policy and federal guidelines in granting or denying an exemption per PA 253 2020.  
RESOLUTION DECLARED ADOPTED.

**ZONING BOARD OF APPEALS / BOARD OF REVIEW APPOINTMENTS:**

Mr. VanZee made a motion, supported by Ms. Collard to appoint Joni Hosler to the Zoning Board of Appeals as an alternate.

Yeas: Matt Cunningham, Julie Collard, Ron VanZee, Doug Kuebler and Kristin Baranski.

Nays: None                    **Motion Carried**

Mr. VanZee made a motion, supported by Ms. Baranski to appoint Richard Sculthorpe to the Board of Review.

Yeas: Matt Cunningham, Julie Collard, Ron VanZee, Doug Kuebler and Kristin Baranski.

Nays: None                    **Motion Carried**

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**HAYES TOWNSHIP HALL IMPROVEMENTS:**

Ms. Baranski made a motion, supported by Mr. Kuebler to accept the proposal for painting the interior of the Hayes Township Hall from J. Arnold Painting in the amount of \$10,260.00 from the ARPA Fund.

Yeas: Julie Collard, Ron VanZee, Doug Kuebler and Kristin Baranski.

Recused: Matt Cunningham

Nays: None                    **Motion Carried**

Ms. Baranski made a motion, supported by Ms. Collard to approve the bid for carpet installation at the Hayes Township Hall from Whitley's Floor Covering in the amount of \$9,204.87 from the ARPA Fund.

Yeas: Matt Cunningham, Julie Collard, Ron VanZee, Doug Kuebler and Kristin Baranski.

Nays: None                    **Motion Carried**

**SEXTON POSITION:**

Ms. Baranski made a motion, supported by Ms. Collard to accept Paul Zardus resignation from the Hayes Township Sexton position.

Yeas: Matt Cunningham, Julie Collard, Ron VanZee, Doug Kuebler and Kristin Baranski.

Nays: None                    **Motion Carried**

Ms. Baranski made a motion, supported by Mr. Cunningham to accept Pam Johnson's application for the Hayes Township Sexton position.

Yeas: Matt Cunningham, Julie Collard, Ron VanZee, Doug Kuebler and Kristin Baranski.

Nays: None                    **Motion Carried**

**2023 YEAR IN REVIEW:**

Ms. Collard presented the Hayes Township Year in Review. See attached.

**PUBLIC COMMENTS:** Public comments opened at 8:27 pm.

Comments included:

- Suggested the Parks and Rec focus on improving the Shoreline at Hayes Township Park. Encourages the township board to post their response to the audit on the

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Township's website or have a meeting addressing how they plan to fit the issues brought up in the audit.

- Does not understand how the board created their action plan response to the audit outside of a meeting. Would like to know where the public can access the audit report. Would like to see all meetings available on Zoom.
- Supports the comment for the Parks and Rec should focus on the Shoreline. Also, would like to see the Swing Set at Eastern Avenue Beach.
- Would like to see improvement from the Township Board and suggested to update policies to help with the issues brought up with the audit. Stated it would help ease residents minds the Township is compliant with the state.
- Appreciates the Clerk and Treasurer honesty and taking initiative to learn and fix the issues from the audit. Supports adopting BS&A, understands how QuickBooks could have created difficulty in accounting for the Township.

Public comments closed at 8:41 p.m.

**BOARD OF TRUSTEE COMMENT:**

Ms. Collard stated they regret not purchasing BS&A before.

**ADJOURNMENT:** Ms. Baranski made a motion, supported by Mr. Kuebler, to adjourn at 8:43p.m.

Yeas: Matt Cunningham, Julie Collard, Ron VanZee, Doug Kuebler and Kristin Baranski.

Nays: None                    **Motion Carried**

Respectfully Submitted,

April Hilton

Hayes Township Deputy Clerk/Recording Secretary

January 8, 2024

To: Hayes Township Board of Trustees

From: Hayes residents undersigned below

Trustees,

The entire board was notified by the Michigan Department of Treasury on December 27, 2023 and January 3, 2024 about the audit reports by Gabridge and Company completed for the fiscal years 2022 and 2023, respectively.

The two audits identify numerous violations and deficiencies, including:

- “the board did not approve all disbursements prior to payment as required by charter or statute”
- "Bank accounts are not being reconciled and independently review[ed] in a timely fashion.” “Cause: This condition is due to the Township's negligence in fulfilling its responsibilities."
- "The Township Board of Trustees was not aware of the true financial status of any of the Township's funds and; therefore, could not make any sound financial decisions.”"
- The Township may have obligated more funds than were available which is a violation of the Uniform Budgeting and Accounting Act.”
- "The expenditure of funds in excess of appropriations are contrary to the Uniform Budgeting and Accounting Act."
- "As detailed below, actual 2023 expenditures exceeded the Township Board of Trustees' approved budget allocations for several general fund activities."
- "23% of invoices tested were missing administrative approval”
- "15% of disbursements tested were missing appropriate supporting documentation”
- “24% of disbursements tested were improperly classified in the general ledger”
- “All ACH and credit card payments were lacking receipts or suitable supporting documentation for the activity, including ACH payments (unable to determine source of the costs)”

In the two Treasury letters by Cary Jay Vaughn, the department directs the Board to submit “a detailed Corrective Action Plan” for each audit, within 30 days of each letter. Those deadlines are January 26 and February 2.

**The audits, the Corrective Action Plans, and the correspondence received are not on the Board's January 8, 2024 agenda. None of the documents the Township received—the letters from Treasury, the audits, nor the letters to the Board by the auditor, Gabridge & Co, are in the meeting packets nor anywhere on the Township website**

We demand public disclosure and compliance with all the state laws.

The Township Board must add the 2022 and 2023 audits and corrective action plans on the January 8 agenda, disclose ALL audit documents and letters to the public at the meetings and on the website, and if necessary, set special meetings for further discussion and decision-making. Actions and decisions to fulfill the Treasury's directives must be made in front of the public and decided as a Board, in accordance with the Open Meetings Act. The Corrective Action Plans and the unauthorized disbursements must be made public and voted on.

We note that the Board's failure to decide on and provide Corrective Action Plans by the deadlines subjects the Township to an audit by the Department of Treasury auditors at the expense of the Township.

Signed:

Ellis Boal  
Bill and Diane Conklin  
Kim Fary  
Monica Fedak  
Omar and Patricia Feliciano  
Noah Fowle  
Bill and Betty Henne  
Lisa Hicklen  
Dee Hutcheson  
LuAnne Kozma  
Kathleen and Victor Martinchek  
Christopher Mills  
Deborah Narten  
Jim and JoEllen Rudolph  
Janet Simon  
Carol Umlor  
Shelly Lynn Green VanWart

*Cc: Cary Jay Vaughn, Department of Treasury, and Dana Nessel, Attorney General*