## Greetings Hayes Township voters

We are sending you this flyer to alert you to the many troubling incidents of both omission and commission by the Hayes Township Board of Trustees. We want to spur interest in residents to consider running for Township positions. This November there will be 5 Township positions up for election: the supervisor, treasurer, clerk and two trustees. With the recent revelation of the financial problems at the Township, and other critical concerns, we think it is time for a change in Township leadership.

# Audits of Township Finances Cite Numerous Violations of Law and Negligence

Hayes Township filed the required 2022 audit two years late. Because the results were so bad, the State now requires annual audits starting in 2023, "until these deficiencies are rectified." The violations were egregious. The State demanded answers and corrective action plans.

### The two audits identify <u>numerous</u> violations and deficiencies, including:

- "the board did not approve all disbursements prior to payment as required by charter or statute" (\*noted by Michigan Department of Treasury)
- "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."

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# Crisis in Our Township

#### Hayes Voters For Change

- "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."
- "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 [online] and credit card payments were lacking receipts or suitable supporting documentation for the activity, including ACH payments (unable to determine source of the costs)"

At the January 2024 board meeting, the audits were not on the agenda or revealed to the public. However, residents had seen them on the State's webpage and came prepared to the meeting and raised many points. A *Charlevoix Courier* reporter also attended. Front page stories resulted: *"State demands corrective action following Hayes Township audit."* The State said "Please provide descriptions of unauthorized disbursements as well as the amount . . . and. . . the most recent board minutes showing the approval of expenditures." Yet, the Township response leaves out this information, and appears to be ghostwritten by the auditor.

## www.HayesVotersForChange.org Self-Promotional Township Newsletters at Taxpayer Expense

Have you noticed how little news Hayes Township is giving you in its 4 page newsletter, *Hayes Township Voice*? Each issue is filled with their own photographs, announcements for a book club run by the clerk as her own personal hobby, quotes, page-filling fluff, and now testimonials about the Board members, by fellow board members, about how wonderful they are. Sounds like campaigning to us. No information about the budget, their nearly nonexistent office hours, the terrible audits, or other controversies going on in the Township. The Board spends over **\$10,000 per year** on these newsletters full of nothing. That's money that could be spent on roads or roadside pick up.

#### Hayes Township Owes \$98,027 to City of Charlevoix

#### Board Hides Surplus & Debts from Budget

We recently learned from City of Charlevoix that Hayes Township owes the city **\$98,027.01** for past ambulance (EMS) services. The Hayes Board has violated the Uniform Budgeting & Accounting Act requiring the surplus (fund balance) from previous years and any debts, be in the annual budget. *MCL 141.435(e)*. The budget, financial reports to the State, and the audit made no mention of this debt. The Hayes Board is not being transparent with the taxpayers, another community from whom we purchased critical services, or with the State, of how much money the Township actually has.

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### Township Cuts Check for Old Fire Truck Prior to Board Meeting

The Township Board approved buying a 34-year old **fire truck** from "Auction services" for \$8,010 at its Nov 13, 2023 meeting. The truck, Supervisor Van Zee said, was already in the Township's fire barn next to Township Hall. It all seemed pre-decided prior to the meeting. In a rambling narrative VanZee stated he began bidding on it online *for personal use on his farm*, and won the highest bid. The invoice is in his name, he said. Later Van Zee told two residents he was reimbursed personally for the truck. However, the <u>Board</u> <u>did not authorize a payment to Van Zee</u>. The public had no opportunity to review the purchase. And the Board asked no questions.

It turns out the Board didn't have to, because they had *already paid for it twelve days prior*. The Township had already cut a check to Sheridan Realty and Auction Services on November 1 <u>without a Board vote</u> for its purchase. We've now seen the invoice and check stub. The invoice was indeed made out to Van Zee, at his home address, but "tax exempt." This City of Mason fire truck was sold according to the Sheridan auction website on Oct 31 and had to be picked up on Nov 2. Apparently Van Zee went down there with the Township check illegally authorized by Julie Collard and Kristin Baranski, (whose initials appear on the stub) and paid with Township funds prior to any vote. Breaking the Open Meetings Act and other state laws.

The truck is not equipped to fight fires. It lacks hoses, tools, and air packs, costly items estimated at \$80,000. Why, then, was it purchased? The Township has no fire department; it purchases fire services from Charlevoix Township. Van Zee stated at the November meeting: "*It's not going to hurt anything, being over in our fire barn*" and "*We have no idea what we're going to do with this. We know that we have it here in reserve. We have no intentions of starting our own fire department.*" And it would help heat the fire barn, he said. What was the real reason? Van Zee divulged later he wants to use it as a "negotiating tool." Unfortunately this is a boondoggle —and an illegal one—by a Board that is not knowledgeable about professional requirements. Fire vehicles should be selected by fire departments. The Township must sell this old vehicle. Let the pros handle our fire service.

#### **Board's Statutory Duties**

**Supervisor:** Moderates board meetings, secretary to board of review, Township's legal agent, must maintain records of supervisor's office, develops budget, appoints commission members, may call special township board meetings, may appoint a deputy.

**Clerk:** Maintains custody of all township records, maintains general ledger, prepares warrants for township checks, records and maintains board meeting minutes, keeps township book of oaths, responsible for meeting notices, publishes meeting minutes, keeps voter registration file, conducts elections, keeps township ordinance book, prepares financial statements, must appoint a deputy.

**Treasurer:** Collects real and personal property taxes, keeps an account of township receipts (revenues) and expenditures, mails township checks, deposits revenues in approved depositories, invests funds, collects delinquent personal property tax, must appoint a deputy.

**Trustees (two):** Township legislators with same authority as other board offices at board meetings, required to vote on all issues, responsible for township's financial health.

#### SALARIES FOR THESE <u>PART-TIME</u> POSITIONS:

(Former elected officials held jobs in addition to elected office. If you work full or part-time, you can still take on these positions.)

Supervisor: \$29,975

Clerk: \$32,583

Treasurer: \$32,583

Trustee: \$4,632 (each)

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# We need you to run for office!

Would you be willing to run for office and serve our Community in 2024? We need leaders with integrity who are <u>committed to</u> <u>following the law</u>. Please consider stepping up for one of these positions.

The Deadline to file for candidacy is <u>April 23, 2024, at 4:00 pm</u> with the <u>Charlevoix County Clerk</u>. (301 State Street, downtown Charlevoix) You need to file a nominating petition with (3 min, 10 max) collected signatures and an "affidavit of identity" form. See our website for forms, or contact us and we'll walk you through it.

hayesvotersforchange@gmail.com

#### Township Not Looking Out for Public Health, Safety & General Welfare of Bay Shore Residents: allowed 5 more years of mining

We need new leadership who will protect Bay Shore residents from the hazards of mining and protect residents' water wells. On Feb 9, the Township sided with Rieth-Riley and in turn, the Court, which allowed 5 more years of mining at the gravel pit despite resident Intervenors' non-consent. Residents in the Bay Shore area have been fighting the mine since 1988 and had a deal; 25 years of mining and reclamation, in exchange for expanding the mine in 1991. The mining is now going into its 35th year. We think the Township is neglecting its duty. Unfortunately, the Planning Commission is also rewriting the zoning ordinance to combine Rural Residential and Agricultural zones, which would allow mining throughout much of the township. We need an amendment to the Zoning Ordinance that will protect ALL residents from mining which causes "very serious consequences."

#### More issues are on our website. www.hayesvotersforchange.org

#### www.HayesVotersForChange.org

#### Who we are

We are a group of long-term township residents. We believe the Board of Trustees should represent the best interests of ALL township residents. We have watched this Board's governing style, decision making, lack of transparency, and financial spending and accounting practices. That is why we formed this Political Action Committee. This newsletter will inform you of Board and Township committee actions which are of concern and in some cases illegal. We are researching the issues using Township records, recommendations of the Michigan Township Association and Michigan laws. This mailing costs just under \$1,000. It is totally paid for by donations. In contrast, the "Hayes Township Voice" is paid for with your tax money. Another newsletter, the "Hayes Township Sentinel" which is not published by Hayes Township, promoted the election of the current Board. Please come to as many Township meetings as you can. We will report on the various controversies on our website, Facebook page, and on our YouTube channel where we will host short interviews and talks with Township residents. We will also host live events. Please join our e-mail list! Go to:

**Website:** www.HayesVotersForChange.org E-mail: havesvotersforchange@gmail.com

Facebook: www.facebook.com/Hayes\_Voters\_For\_Change

YouTube channel: https://www.youtube.com/@HayesVotersForChange

If you share our concerns, please consider making a donation to support our work to elect new Hayes	Make your check out to HAYES VOTERS FOR CHANGE Mail it to: Hayes Voters For Change 09799 Townline Road, Petoskey, MI 49770-9106 Please fill in the information required by Michigan Bureau of Elections			
Township Board members.	NAME			
Hayes Voters For Change is a Political Action Committee registered with Charlevoix County.	STREET			
	CITYSTATE ZIP CODE			
	OCCUPATION	RETIRED?		
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