

## VILLAGE OF THREE OAKS SPECIAL COUNCIL MEETING - DATE: 04/13/2009

**Chair called Village Council Meeting to order** at 7:00 PM at the Three Oaks Village Hall.

### **Pledge of allegiance**

**Roll Call:** Present: Bartos, Capiak, Graziano, Kramer, Pappa, Whittaker, Grosse

Absent: None

**Approval of agenda:** Moved: Capiak - Supported: Bartos Aye: 7 Nay: 0

**No additions to the agenda.**

**Public comments:** None.

### **New Business:**

- **2007-2008 Audit Presentation:** Derek Hall, Senior Auditor with the Michigan Department of Treasury presented his detailed audit report of the 2007-2008 fiscal year. He provided final figures and evidence of findings with recommendations for the current council. His audit uncovered deficiencies such as: poor record-keeping, improper transfers between funds, improperly recorded tax revenues, non-reconciled bank statements, payroll taxes withheld, but not forwarded, and budgets that were not properly monitored. Theft or embezzlement has been ruled out for the 2007-08 fiscal year only. Prior years were not included in his audit. He determined that the regular anticipated revenue nearly covers regular expenditures, but leaves no additional funds remaining for the repayment of special projects or for building up reserve funds. The recent increase in the Water and Sewer rates, however, will allow those funds to cover all expenses and begin rebuilding its reserve fund. The current 2008-2009 budget had received approximately 75% of its revenue by October 1, 2008, but \$74,000 of that had already been spent by the previous administration creating an immediate shortfall for the current year. Steps are being taken to implement proper accounting procedures, stringent cost controls, and oversight on all expenditures by the Emergency Financial Manager and the Village Council in order to improve the financial situation of the Village.
- **Public comments:** Jan Grayson, chairman of a citizen financial oversight committee, commended the Village council for their diligence and the time they have spent in getting the Village's finances in order. There is still much to be accomplished, but the improvement over the last six months is encouraging for the Village.
- **A copy of the audit is available for review at the Village Hall.**

**Meeting adjourned at 8:34 PM**

Submitted by:

Cynthia E. Moynihan  
Village Clerk

Approved \_\_\_\_\_