

Harsens Island Treasurers Report March 11, 2023

Cash on Hand: As of February 28, 2022, we have \$80,669.73 in our Huntington checking account. During the month of January and February, we spent \$14,541.85. During the month of January, we entered into a two-year option to purchase property at \$2,000 **a month** and entered into a one year agreement with Linda Davis Kirksey at \$5000.00 **a month**. We also had miscellaneous office related expenses for January and February totaling \$542.58

Miscellaneous: At this point there is \$80,669 dollars left from the initial \$125,000 draw awarded to HITA from the Michigan Economic Development Grant last January. We will receive an additional \$125,000 once we have spent this. We will have to spend the total \$250,000 by the end of this December. At this point there is no carry over. To date we have spent 33% of our grant monies

HITA audit: In December we received the annual audit report from UHY. There were 4 area of concern identified.

1. Preparation of the Financial Statements in Accordance with Generally Accepted Accounting Principles.
2. Lack of Segregation of Duties
3. Accounting Systems
4. Approval of the Budget

I am working to set up a conference call with Tammy to get further clarification on the remedies to address the audit concerns. I contacted a local accountant and have arraigned an additional conference call to get more specificity to the above forementioned concerns. It does appear we will need to have outside support to be in compliance with some of the audit findings. This includes purchasing an accounting system, purchasing a computer and entering into a contract with an accountant to manage the HITA books on a monthly basis.

Federal Grant Application: working with our Grant Writer, Maureen Boury and myself completed an application for HITA to receive federal grants. At this point the application has been accepted and we are working with our grant writer on next steps.

2023 Budget: I would like to work on the 2023 HITA budget for review at the next HITA meeting.

Respectfully submitted
Gary Beaulac