

FISCAL RESPONSIBILITY AFTER BAD AUDIT REPORTS, EAST BANK ASKS FOR HELP

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Officials in East Bank have asked the man responsible for straightening out Nitro's finances to help correct problems with East Bank's books.

On Thursday, the East Bank Town Council voted to fire municipal clerk Donna Johnson after reviewing state audits going back to 2003. Mayor Chuck Blair said Friday that state auditors presented town officials with five audits at one time, all of them bad.

Among the problems state auditors found were that East Bank town officials failed to keep records for utility accounts, did not have financial records necessary to reconstruct the town's finances, took out a loan for a vehicle in violation of state law, spent public money on unauthorized purchases, failed to submit budget revisions, overspent budget line items, failed to keep adequate track of traffic citations and failed to make sure that fines and fees were properly applied.

The list of adverse audit findings in the town's 2008-2009 audit runs 20 pages.

Blair said some of the audit findings were because of changes in accounting practices that town officials didn't know about. He said East Bank officials will buy a new computer system to help keep track of the town's books.

"We've never had an audit like that," Blair said Friday. "We want things to be right. The citizens of East Bank deserve that."

Town officials also have asked **Nitro** accountant John Young to help straighten out the town's books.

In 2007, officials in **Nitro** hired Young to reconstruct the town's books and straighten out Nitro's finances after years of sloppy bookkeeping and bad audits. Young is credited with turning Nitro's finances around and taking the town from regular deficits to a \$200,000 budget surplus for the 2009-2010 fiscal year.

Young, who has since been hired as Nitro's city treasurer, said he is willing to look at East Bank's books out of his **Nitro** CPA office.

"I like doing that kind of stuff," Young said Friday. "If they hire me, I'll do it."

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