Notice of Due Process

All my paperwork said my item was scheduled for tomorrow, I just found out this morning that it was today. I have had little time to prepare.

Last Thursday, on February 5, I was called into a meeting with the Administrator and Council President where I was told that I was being terminated for performance and compliance with job responsibilities as the Treasurer and falsely accused of not keeping the money safe. I am here today to tell the truth about what has happened during my not quite 4 months of employment as the Treasurer with the Village of Franklin. At this time, I request that a copy of of my statement and chronical list of events be filed into the record.

My employment started on 10/13/25. At this point in the village, 3 of the 4 primary office administration positions were left vacant or temp filled since 7/11/25. There was a lot of confusion on roles and responsibilities, back-log of work left undone and general disarray.

In addition to learning a new job, under my management as Treasurer, the following was completed:

- Prepared and Filed the **Protecting MI Pensions Compliance Report** with the SOM (due prior to starting)
- Completed and Filed the **ARPA Grant Compliance Report** with US Treasury (due prior to starting)
- Prepared and submitted for approval the **Publicly Funded Health Insurance Contribution Act, PA 152 resolution** for Council approval (HR Issue)
- Prepared and submitted monthly check run reports and Treasurer Reports in the requested format for Council approval
- Reviewed and submitted a new **Annual Disclosure Statement Contract** and coordinated the completion of the filing. Submitted to the Council for receipt and file.
- Coordinated and reviewed the **Annual Audit** and submitted to Council to receipt and file
- Prepared and submitted **cash position projection** to the Administrator
- Prepared and submitted **cash position forecast as of the end of fiscal year** with recommendation for presentation to the Finance sub-committee.
- **YE filings and closeout of previous fiscal year.**
- Negotiated an **increased MM rate for investment** account opened by the Administrator and Police Chief to be retro-active to the opening date. .5% to 3.5%
- Once given bank access, monitored the **banking daily and processed positive pay**
- Accounts payable is up to date with invoices processed on time.
- All account reconciliations up to date and posted through Jan 31

Staff Members Past and Present

Meg Schubert, Previous Village Administrator, left 7/11/25

Susan Goldstrom, Previous Asst. Village Administrator, left 7/11/25

Dana Hughes, Previous Village Clerk, left 7/11/25

Rachel Loughrin, New Village Administrator, started 10/27/25

Teresa Jablonski, New Village Treasurer, started 10/13/25

Vance Vaink, Volunteer Treasurer, left 10/13/25

Evan Milan, Village Clerk started 9/25/25

Brittany Kohler, Plante Moran Accountant

Genna Zieman, Building Clerk

Lauri Catenacci, Treasury Management Officer

Franklin Village Bank: First Merchants

Preface

On 7/11/25, all 3 of the primary positions for the Village of Franklin staff, Village Administrator, Assistant Administrator and Village Clerk, resigned. After they left, the signers on the bank account were David Goldberg, Council President and Curt Lawson, Police Chief with Genna Zieman, Building Clerk as an online user to process positive pay. After the incidence on 11/25/25, I learned that Genna Zieman, Building Clerk, was actually the online banking administrator. Somewhere in the transfer of signers/users, the dual authentication was turned off which allowed the wire fraud to move through unless they also created a dual user to – my understanding they did not. process. The Building Clerk, was granted this authorization level with no training or previous banking experience. Due to the vacancies, there was a significant back-log of work and confusion of roles and job responsibilities in place. After the bank event on 11/25/25, Brittany Kohler, Plante Moran Accountant, stated during a work conversation that when she and Genna processed the wire transfers for the tax distribution in late September, there was no dual authentication approvals in place. This was supposedly reported to Village staff at the time.

10/13/25 – Started employment as the Treasurer of the Village of Franklin. See signed agreement and job description.

During my first week, I asked about how to get banking access to review approval levels and controls in place. I was told by the, Acting Administrator, Police Chief Curt Lawson, who is a signer on the bank account, that I needed to wait until the new Administrator, Rachel Lougrin, starts on 10/27/25. She would decide who the signers would be and set up the banking procedures and controls.

If I would have been granted this access instead of being told to wait, the wire fraud would have never happened. Administration did not properly communicate the banking protocols or procedures and denied me access. The controls in place were not ~~efficient~~. sufficient

I distinctly remember that conversation because it is unusual for a Treasurer not to have control over the bank process and accounts. Additionally, this was a direct conflict with the listed Treasurer job duties. I was never told by administration who the current authorizers were or what the banking controls and procedures were.

Several employees were witness to the repeated discussion during the course of work regarding the banking procedures and being told to wait until the new Administrator, Rachel Loughrin, started on 10/27/25. Witnesses include: Brittany Kohler, PM Accountant, Genna Zieman, Bldg. Clerk and Evan Milan, Village Clerk.

During this time, I was told that the Council President, David Goldberg and Police Chief, Curt Lawson were the signers on the account. Additionally, the Bldg. Clerk, Genna Zieman, was on the account to process positive pay however, I did not know until after the event on 11/25/25 that she was the online administrator.

10/23/25 – The accountant gave me a bond payment that was due on 10/30/25 and needed to be wired. I asked the accountant if she had access to wire the payment. I was told to ask Genna, Building Clerk. She did not know and said she would find out. I then received a call from Lauri Catenacci, Treasury Management Officer on Genna's phone. She said she would set up an account for me and provide wire access.

10/30/25 - I set up my online account and was able to process the wire payment. I was surprised that the payment went through without a second approval. Too easy.

10/30/25 or 10/31/25 - David Goldberg, Council President came in to sign checks and I immediately let him know that I was able to process a wire and explained that the banking system didn't ask for dual authorization and that it is not good however, I did not have access to make the change. He stated that he would talk to Rachel.

11/3/25 - After there was no follow up, I let the new Administrator, Rachel Loughrin know that the bank controls don't seem to be set up properly but I don't have access to make changes.

She replied, "yes, we need to get that set up". This was my first discussion since she started. Asked to go over roles and responsibility once she was settled. She never followed up.

11/10/25 - Roughly a week later, I again discussed with the Administrator that the banking needed attention and again she agreed but there was no further conversation or directive.

Once again, approximately a week or so later, the Administrator mentioned in passing that "we need to get the banking controls set up." I still didn't have access to make changes and I did not hear back or receive any directive.

When I started, I attempted several times to get the appropriate access to review the banking protocols in place. I was told by both the Council President and the Police Chief/Acting Administrator that the Administrator would be responsible for setting up the banking protocols. Once I noticed a deficiency in the banking controls, specifically, dual authorization, I immediately notified Council President of my experience and provided recommendation. I was told he would talk to Rachel. I later notified Rachel on 2 separate occasions that the bank account controls have a deficiency. At that time, I didn't have the authority to make the changes and was told I wouldn't be a signer because I would be processing AP, I couldn't also sign checks. This is very unusual since I was the Treasurer.

Typically, when the authorized signers are changing, the Old Signers and New signers go to the bank together/joint phone call and sign the proper documents to facilitate the transfer of banking authority. There is a formal process in place to do this. This never happened. You can't just call up and request banking privileges or banking information without the proper credentials.

It is important to note, that there was also a lot of confusion from the bank regarding procedures and authority.

11/25/25 At approximately 10:30 the Building Clerk started receiving an email bomb. I told her to contact our IT specialist and not to do anything in email until it was cleared by the IT professional. Shortly after, when asked, she confirmed that the IT specialist said her computer was ok.

Sometime during this time, Genna ran a First Merchants bank search through Bing and mistakenly logged into a fake website made to look like the bank's webpage. At this point, her credentials had been compromised and the criminals were able to process the fraudulent wires.

At 11:00, Rachel and I went into a meeting. When the meeting finished at 1:00, we were stopped by Genna franticly stating that the bank called and asked if she initiated 4 large wires. She responded no. The bank successfully stopped two of the wires but the other two were already transferred. I immediately called and logged into the bank.

Rachel and I were both on the phone with the bank. At that time, Rachel was able to update the dual authentication. Later, I was set up to be the administrator as Genna's account had been locked. That's when I found out she was the online administrator because the bank had to temporarily reinstate her account in order to add me as an administrator.

The following weeks I worked with the FBI, Local Law, Insurance Company, Banks to try to get some of the funds back. I filed the IC3 report and was interviewed numerous times. Kept trying to get the Administrator to follow through with the bank to get the bank authorizations updated.

The bank account was locked down with only deposits allowed. All checks were returned and EFTs rejected. I spent the month cleaning up the mess from having the account closed for a week while still processing all Treasury duties, ran AP while also processing YE Reporting and Auditing processes. Kept all bank accounts reconciled and up to date.

In an email from Lauri Catenacci, Treasury Management Officer, stated that the only people that can make changes are the current signers David Goldberg and Curt Lawson. The Administrator was copied on the email. Additionally, I was told that there was nothing different I could have done related to the wire fraud. Once the credentials were compromised there was no way to stop the wires except close the users account.

12/1/25 - the Administrator and Police Chief went to the bank, without notifying me, and opened an MM account. They added her and the police chief as the new signers. However, the signers were still not updated because they didn't have the proper authorization to open a new account. Also, it was only the new account and did not include existing accounts. The bank sent several emails asking Rachel for written authorization from Council authorizing the new account and changing the signers **from** David Goldberg and Curt Lawson **to** Rachel Loughrin and Curt Lawson. This was not actually accomplished until **2/6/25** due to lack of attention by the administrator to respond to the bank emails and provide the proper documentation/ID.

The Administrator was out of town from 12/18/25 through 1/8/26 and did not communicate regularly with the office. She is frequently out of the office. Arrives late and leaves early. Doesn't follow-up on work items.

I was in the office every day including working from home on weekends and holidays. I had one previously approved day off on 12/26/25 and received an email from the Administrator while she was on vacation reprimanding me for taking unapproved time off. She had obviously forgotten she approved the time off.

2/4/25 - Finance Sub-Committee meeting, I presented a cash forecast as prepared by myself with help from the accountant that indicated the cash would be deficient by end of July. Recommending a possible solution of an SAD to the residents.

2/5/26 @ approximately 4:45 - I was called into the Administrator's office with the Council President. Rachel stated that as the Treasurer I was required to keep the Villages money safe and I failed to do that so, she was terminating my employment. I was offered the chance to resign or could plead my case publicly to the Council. I rejected the resignation offer and was given a notice of due process. At that point she said I would be on administrative leave immediately and I needed to clean out my personal belongings while a police officer monitored.

My job description required me to manage the bank accounts however the lack of access/authorization given, that was out of my control, prevented me from being able to perform my job.

****Found an email exchange between Genna Zieman, Building Clerk and Lauri Catenacci, Treasury Management Officer that occurred prior to starting my position that I was not copied on:**

Prior to 10/9/25 Genna must have requested changes to the users on the online banking.

10/9/25 – Lauri responds: Please let me know the names, phone numbers, emails. Will each person be a signer or just added to the online banking platform. Who will be using the scanner and who should I mail it to?

10/13/25 – Genna responds: Added to account: Teresa Jablonski (Treasurer) [redacted]. 248.626.9666, ext 108.

Signer Evan Milan (Village Clerk) email, phone

Signer after 10/27 Rachel Loughrin (Village Administrator) email, phone

10/14/25: Lauri responds: Thank you for your email and Happy Tuesday. I have your scanner being sent out to Teresa and the instructions on how to add her to the business profile as a user in online banking.

I will gather the information needed to add Evan as a signer to the account from Evan.

I will make a reminder for myself to send Rachel and email on 10/27 to gather the information needed from her to get her added as well.

This proves that Genna was an administrator and the only one with administrative rights. And Rachel was aware of the changes requested to the banking and who had authorization. Unless the bank failed to contact her.