

**BOROUGH OF RED BANK
COUNTY OF MONMOUTH
RESOLUTION NO. 13-155**

**A RESOLUTION REGARDING THE BOROUGH OF RED BANK
REPORT OF AUDIT FOR THE YEAR ENDED DECEMBER 31, 2012 AND CORRECTIVE
ACTION PLAN REQUIRED BY FEDERAL OMB CIRCULAR REFERENCE NUMBER A-133**

Councilwoman Lee offered the following resolution and moved its adoption:

WHEREAS, the New Jersey Department of Community Affairs, Division of Local Government Services, requires that all municipalities prepare and submit a Corrective Action Plan as part of their annual audit process; and

WHEREAS, the report of audit for the Borough of Red Bank for the year ended December 31, 2012 was prepared on or about June 3, 2013; and

WHEREAS, the governing body of the Borough of Red Bank approved this report of audit and has undertaken a Corrective Action Plan to cover the two (2) recommendations in the audited report as listed below:

Condition #1: We noted the Borough's foreclosed property register has not been contemporaneously maintained.

Recommendation #1: It is recommended that foreclosed property register be reviewed for accuracy and the value of foreclosed property be adjusted accordingly.

Corrective Action #1: The properties in the name of the Borough of Red Bank will be reviewed. A determination will be made as to the method of acquisition. If acquired by foreclosure, the value will be noted and the property will be included on the updated list.

Implementation Date: By December 31, 2013.

Condition #2: Our examination revealed one vendor was paid in excess of the bid threshold for which no competitive bids were advertised for.

Recommendation #2: It is recommended that the Borough will solicit bids for this type of service going forward and be more diligent in reviewing vendor history reports to ensure no recurrence.

Corrective Action #2: The borough has bid this item and awarded it in 2013. We are reviewing purchasing policies to avoid a recurrence in the future.

Implementation Date: Already implemented.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the Borough of Red Bank that the report of audit for the year ended December 31, 2012 prepared by David Kaplan, R.M.A., of the firm of DAK CPA, the Borough Auditors, entitled "Comprehensive Annual Financial Report of the Borough of Red Bank for the Fiscal Year Ending December 31, 2012" has been previously accepted by the Borough of Red Bank and a Corrective Action Plan has been implemented to cover all findings and recommendations in the audit report and the appropriate steps have been taken as to these comments and recommendations as more particularly set forth above.

Seconded by Councilman Murphy and adopted on roll call by the following vote:

	Yes	No	Abstain	Absent
Mr. Murphy	(X)	()	()	()
Mr. Zipprich	(X)	()	()	()
Ms. Horgan	(X)	()	()	()
Ms. Lee	(X)	()	()	()
Mr. DuPont	(X)	()	()	()
Ms. Lewis	(X)	()	()	()

Dated: June 26, 2013