

BOROUGH OF RED BANK

COUNTY OF MONMOUTH

RESOLUTION NO. 09-158

**A RESOLUTION REGARDING THE BOROUGH OF RED BANK
REPORT OF AUDIT FOR THE YEAR ENDED DECEMBER 31, 2008 AND CORRECTIVE
ACTION PLAN REQUIRED BY FEDERAL OMB CIRCULAR REFERENCE NUMBER A-133**

Mr. DuPont 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, 2008 was prepared on or about May 20, 2008; and

WHEREAS, the governing body of the Borough of Red Bank approves this report of audit and has undertaken a Corrective Action Plan to cover the four (4) Recommendations in the audited report as listed below:

Condition. The Borough purchased a tax sale certificate at its October 2000 tax sale which was comprised of various outstanding municipal charges, including an unpaid property demolition charge. The property has been sold, however the Borough did not receive payment for its outstanding lien.

Recommendation #1: It is recommended the Borough initiate proceedings to either collect or foreclose on tax sale certificate 2000054 account 2524000.

Corrective Action: The Borough attorney has been asked to begin foreclosure proceedings in order to collect the demolition lien on the property for block 76 lot 1.01.

Condition. Examination of the tax and water-sewer utility payments received are posted into the computer system as being paid by check.

Recommendation #2: It is recommended that tax and water payments be entered into the computer system as either cash, check or money order.

Corrective Action: The CFO has instructed the tax and water collections staff to enter tax and water-sewer payments as either cash, check, or money order.

Condition. Examination of the Recreation Department revealed their cash receipts ledger was not maintained timely. Some source documents were not presented with some deposits.

Recommendation #3: It is recommended that the Recreation Department maintain a cash receipts journal timely.

Corrective Action: The CFO has instructed the Director of Recreation to maintain a cash receipts journal timely and to provide source documents for all cash receipts.

Condition. Examination revealed that the official minutes of the Borough are incomplete.

Recommendation #4: It is recommended that the official minutes of the Borough be approved on a timely basis.

Corrective Action: The Borough Clerk will complete the official minutes on a timely basis.

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, 2008 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, 2008" is

hereby 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 Ms. Lewis and adopted on roll call by the following vote:

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

Dated: June 9, 2009