

CORRECTIVE ACTION PLAN

REPORT OF AUDIT
FOR YEAR ENDING 12/31/18

City of Lambertville, County of Hunterdon

Date of Audit Report: July 23, 2019

Date of Resolution (No. -2019): August 22, 2019

Date of Plan: August 22, 2019

CITY OF LAMBERTVILLE
Schedule of Findings and Recommendations
For the Year Ended December 31, 2018

Schedule of Financial Statement Findings

Finding No. 2018-1

Condition

Funds were committed in excess of balances in the 2018 Current Fund Appropriation. In accordance with N.J.S.A. 40A:4-57, no expenditures of funds for any purpose can be made for which no appropriation is provided or in excess of the amount appropriated for such purpose. As a result of the City committing funds in excess of amounts appropriated, deferred charges in the total amount of \$3,158.56 will have to be raised in the 2019 budget. In addition, the Animal Control Trust Fund was over expended in the amount \$4,527.97.

Recommendation

That sufficient appropriation balances be available prior to the commitment or expenditure of funds.

Corrective Action

Controls have been established to ensure that sufficient appropriation balances are available prior to the commitment or expenditure of funds.

Finding No. 2018-2

Condition

We noted that City employee contributions for required health benefits contributions were not calculated correctly in accordance with Chapter 78 of the Laws of 2011.

Recommendation

That procedures be established to ensure that employee health benefits contributions are correctly calculated.

Corrective Action

Deductions were only taken for 24 pays instead of 26. The payroll system has been corrected to divide annual contributions evenly among 24 pays.

Finding No. 2018-3

Condition

We noted instances where payments to vendors for professional services exceeded the not to exceed amounts authorized by resolution of the governing body. In one instance the total amount of change orders authorized by the governing body exceeded the original contract amount by greater than 20 percent.

Recommendation

That payments to vendors not exceed amounts authorized by resolution of the governing body.

Corrective Action

Through the issuance of blanket purchase orders, staff can ensure that payments to vendors do not exceed amounts authorized by resolution of the governing body.