

## Chesterfield Township Board of Fire Commissioners District Two

July 09, 2012

The regular monthly meeting of the Chesterfield Township Board of Fire Commissioners District Two was led to order by Chairman Spence at 8pm. Members present: Bruch, Hlubik, Homa, Jones, Spence and Maley.

The Sunshine law was read.

The minutes of the previous meeting was presented. A motion to accept the report was made by Bruch, seconded by Jones. All aye, motion carried.

Treasurer's report was presented along with bills to be paid. A motion to accept the report and pay the bills was made by Hlubik, seconded by Bruch. All aye, motion carried.

### Old Business:

Pond Liner cost estimate \$3,513.30. Need to show that we have tried to obtain other estimates.

### New Business:

We received a refund check from the insurance company for Workman's Compensation Policy.

Jack Maley was present to give his report of Audit. A resolution to adopt the corrective action plan was made by Homa, second by Bruch. All aye, resolution adopted.

A resolution to accept the audit findings and recommendations was made by Jones, second by Homa. All aye, resolution adopted. It was noted that the audit finding that monies were not moved to cover expenditures of line items in the budget was not correct.

A resolution to adopt a cash management plan was introduced by Bruch, second by Jones. All aye, resolution adopted. It was noted that the audit findings need to be published within 30 days. Homa to take care of this.

(All audit information is available below.)

A motion to cancel the budget amount of \$151,970 for the grant and matching fund amount of \$7,590 was made by Hlubik, second by Jones. All aye, motion carried.

### Chiefs Report

Hose and ladder testing to be done Monday.

2 members to go to pump ops class at \$55 each.

Chief would like to purchase two coats for the Fire Police at about \$200 each.

Need three sets of turnout gear at \$1,200 each. Motion to approve these purchases and approve class by Jones, second by Homa. All aye, motion carried.

Laptop for Volunteers has donated a laptop to the fire company. It needs an operating system. Chief Asbrand to explore the cost.

As there was no further business, motion to adjourn at 9:05 pm by Jones, second by Bruch.  
All aye, meeting adjourned.

CHESTERFIELD TOWNSHIP FIRE DISTRICT NO. 2  
CORRECTIVE ACTION PLAN

Finding

1. Description:  
Internal controls over voucher processing were not followed.
2. Analysis:  
The majority of vouchers did not contain claimant signatures. Also, paid invoices were not always available.
3. Corrective Action:  
Internal controls over voucher processing will be closely followed.
4. Implementation Date:  
Immediately.

Finding:

1. Description:  
The District prepared a corrective action plan addressing the 2010 audit findings but did not implement the plan.
2. Analysis:  
The District is required to prepare and implement a corrective action plan addressing audit findings and recommendations.
3. Corrective Action:  
Priority should be given to implementing corrective action plans.
4. Implementation Date:  
Immediately.

Finding:

5. Description:  
Two budget line items were overexpended at December 31, 2011
6. Analysis:

Budget transfers should be made to avoid over expenditures of Budget Line Items.

7. Corrective Action:  
Budget Line Items will be more closely monitored.
8. Implementation Date:  
Immediately.

(Signature)  
Charles Jones Treasurer  
July 9, 2012

Chesterfield Township Fire District No. 2  
Cash Management Plan

WHEREAS, this plan is established to comply with the requirements of NJSA 40:5-14 and to provide a guide to officials and employees their duties concerning the receipt of disbursement of all funds of the Chesterfield Township Fire District No. 2, County of Burlington.

NOW, THEREFORE BE IT RESOLVED, that the following Cash Management plan of the Chesterfield Township Fire District No. 2 be and hereby is adopted:

- a. The Board of Fire Commissioners shall annually designate the depositories for all funds. The resolution may be amended or supplemented from time to time as the Commissioners deem necessary. Such resolution shall be deemed a part of the Cash Management Plan.
- b. The Fire Commissioners shall annually establish the required signatories to all bank accounts.
- c. All funds received by any official or employee shall be deposited Within 48 hours to an interest bearing account in the name of Chesterfield Township Fire District No. 2, County of Burlington.
- d. All revenues received by the Treasurer shall be deposited in interest bearing accounts in the legal depositories.

- e. The following funds shall not be required to be maintained interest bearing accounts:
  - 1. Change Funds
  - 2. Petty Cash Funds
  - 3. Payroll Funds
  - 4. Trust funds to the extent that the deposit of such funds to an interest bearing account would require by law the payment of interest to the provider of funds.
  - 5. Checking accounts established for the express purpose of paying bills approved by the Commissioners. The balances in these funds shall be kept at the minimum amount required for the orderly operation of the account.
  - 6. Compensating balance maintained for the purpose of obtaining specific services from financial institutions such accounts shall be established only under terms of written agreement approved by the Fire Commissioners.
  - 7.
- f. No District funds shall be disbursed by the Treasurer prior to approval of the Board of Fire Commissioners except for:
  - 1. Debt Service Payments
  - 2. Payroll turnovers to agencies.

It shall be the responsibility of the Treasurer to analyze the cash flow and to invest funds in legal investments so as to maximize interest earnings. When investing funds in commercial banks, savings and loans etc., the Treasurer shall obtain a minimum of three quotations and shall invest at the institution offering the highest effective rate. The Treasurer shall determine which type of legal investment will best serve the needs of the Fire District and is restricted by the governing body.

The Treasurer shall report monthly all investment transactions as required by NJSA 40A: 5-15.2 to the Board of Fire Commissioners.

I hereby certify that the foregoing resolution was duly adopted by the Fire Commissioners of Chesterfield Township District No. 2 at a regular meeting conducted on:  
9<sup>th</sup> day of July, 2012.

(Signature)  
Raymond Hlubik, Secretary

RESOLUTION

CHESTERFIELD TOWNSHIP FIRE DISTRICT NO. 2

WHEREAS, N.J.S.A. 40-A: 14-89 requires the governing body of each Fire District to cause an annual audit of its accounts to be made and,

WHEREAS, the annual audit report for the fiscal year ended December 31, 2011 has been completed and filed with the Commissioners of the Chesterfield Township Fire District No. 2, and

WHEREAS, N.J.S.A. 40A:5A-17 requires the governing body of each District to, within 45 days of receipt of the annual audit, certify by resolution to the Local Finance Board that each member thereof has personally reviewed the annual audit report and specifically sections of that report entitled "General Comments" and "Recommendations", and has evidenced same by group affidavit in the form prescribed by the "Local Finance Board", and

WHEREAS, the members of the governing body have received the annual audit and have personally reviewed the annual audit, and have specifically reviewed the sections of the annual audit report entitled "Findings and Responses" in accordance with N.J.S.A. 40A:5 A-17,

NOW, THEREFORE, BE IT RESOLVED, that the governing body of the Chesterfield Township Fire District No. 2 hereby certify to the Local Finance Board of the State of New Jersey that each governing body member has personally reviewed the annual audit report for the fiscal year ended December 31, 2011, and specifically has reviewed the sections of the audit report entitled "General Comments" and "Recommendations", and has evidenced same by group affidavit, accompanied by a certified true copy of the resolution.

IT IS HEREBY CERTIFIED THAT THIS IS A TRUE COPY OF THE RESOLUTION PASSED AT THE MEETING HELD ON JULY 9, 2012.

(Signature)  
Raymond L. Hlubik

CHESTERFIELD TOWNSHIP FIRE DISTRICT NO. 2

CORRECTIVE ACTION PLAN RESOLUTION

WHEREAS, in accordance with the Government Auditing Standards, it is necessary for the fire district to prepare a Corrective Action Plan as part of the annual audit process; and

WHEREAS, it is further required that all findings and recommendations contained in the audit report be addressed by the chief financial officer of the fire district by means of a Corrective Action Plan, which will address the method of resolving any problems as set forth in the findings and recommendations of the audit report; and

WHEREAS, said Corrective Action Plan is to be submitted to the Division of Local Government Services and placed on file with the Clerk or Secretary of the Fire District within 60 days from the date the audit is received by the fire district.

NOW, THEREFORE, BE IT RESOLVED by the fire district as follows:

1. The Corrective Action Plan as attached is hereby adopted by the fire district in accordance with applicable statutory law or regulations.
2. A copy of same shall be forward to all appropriate parties.

Certified by me this 9<sup>th</sup> day of July, 2012.

(Signature)

Raymond L. Hlubik