

Mayor Nolan offered the following resolution and moved for its adoption:

R-11-54

**BOROUGH OF HIGHLANDS
COUNTY OF MONMOUTH**

RESOLUTION - APPROVAL OF CORRECTIVE ACTION PLAN FOR SFY 2010

WHEREAS, the Directive by the Division of Local Government Services, Local Finance Notice 92-15 dated August 9, 1992, requires that the Chief Financial Officer must submit a Corrective Action Plan, relative to the findings and recommendation in the annual audit report; and

WHEREAS, the Governing Body of the Borough of Highlands has reviewed said Corrective Action Plan for the State Fiscal Year 2010;

NOW, THEREFORE BE IT RESOLVED by the Governing Body of the Borough of Highlands that said Corrective Action Plan is hereby approved.

NOW, THEREFORE BE IT FURTHER RESOLVED, that a certified copy of this resolution be forwarded to the Chief Financial Officer, the Director of the Division of Local Government Services, and all appropriate Borough Officials.

Seconded by Mr. Francy and adopted on the following roll call vote:

ROLL CALL:

AYES: Mr. Connelly, Mr. O'Neil, Mr. Francy, Ms. Kane, Mayor Nolan

NAYES: None

ABSENT: Ms. Kane

ABSTAIN: None

Date: February 16, 2011

CAROLYN CUMMINS, BOROUGH CLERK

I hereby certify that the above Resolution was duly adopted by the Governing Body of the Borough of Highlands at a meeting held on February 16, 2011.

BOROUGH CLERK\DEPUTY CLERK

CORRECTIVE ACTION PLAN - SFY 2010

BOROUGH OF HIGHLANDS

SFY 2009 Recommendations:

Payroll:

Finding #1

1. That salary ordinances be approved by the Governing Body on a yearly basis.
2. Analysis: The Governing Body approves all salary changes and contractual increases by resolution rather than by ordinance.
3. Corrective Action: A salary ordinance will be prepared after all bargaining units and the Borough agree on new contracts.
4. Implementation Date: Adoption of bargaining unit contracts or June 2009 whichever is earliest.

SFY 2010 Recommendations:

Payroll:

Finding #1

1. That salary ordinances be approved by the Governing Body on a yearly basis.
2. Analysis: The Governing Body approves all salary changes and contractual increases by resolution rather than by ordinance.
3. Corrective Action: A salary ordinance will be prepared after all bargaining units and the Borough agree on new contracts. The Borough adopted a salary ordinance for the Police during SFY 2010. The remaining ordinance was put on hold as the Borough sought salary concessions from the remaining bargaining units. No consensus was reached and numerous layoffs occurred. The Borough will now prepare a salary ordinance for all employees except police.
4. Implementation Date: May 2011.