

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

STATE COMPLIANCE FINDINGS

2019-1 CONDITION

The City exceeded the amount of expenses budgeted in the capital projects fund by \$21,142.

CRITERIA

State Law requires that fund expenditures/expenses be limited to the amounts budgeted.

CAUSE

The City initially didn't plan to spend any amount from the capital projects fund. During the year \$21,142 was spent to complete the asphalt around the new Town Hall. The budget was not amended to reflect these costs.

EFFECT

The City's budget is its legal spending limit. By exceeding the fund budget they have exceeded their legal spending limit.

RECOMMENDATION

I recommend that the budget be adjusted each year to ensure that it is not overspent.

RESPONSE - MONA CITY

We will be more careful to budget account transfers if such transfers are made in the future. We will also have a public hearing as required.