

Lower Nazareth Township
Board of Supervisors
306 Butztown Road
Bethlehem, PA 18020

We have completed the 1999 audit of the financial statements of Lower Nazareth Township and have filed the audit as of March 16, 2000. We submit the following recommendations for your consideration for the year 2000:

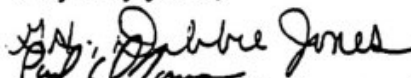
- 1.) Consider putting all funds and bank accounts on the computer and therefore at the end of the year a printout with all transactions for the year will be available.
- 2.) Consider increasing supervisors meeting rate to current annual maximum compensation per Second Class Township Code Book, dated 1995 (\$1,875 or \$62.50 per meeting) for new supervisors coming on board.
- 3.) Consider updating Taxpayer Delinquent list in order to keep accurate delinquent tax records current.
- 4.) Consider contacting Colonial Regional Police to check status of distribution of Townships portion of new fine/parking enforcement fees.
- 5.) Consider paying bills more timely to take advantage of discounts offered by vendors.
- 6.) Consider billing Nazareth Area School for their portion of Earned Income Tax Collectors Bond.
- 7.) Consider following the engineer's (Al Kortz) recommendation of amount of escrow to be released and only maintaining the balance in escrow of what he recommends and returning the remaining balance to the depositor.

As mentioned in the previous years' recommendation letter, the Zoning Officers Books remained unauditible again this year. This was due to records being disorganized with no set of organized books or system for permit tracking. Back up data was not readily available or understandable and we found one case of a grossly overstated permit fee, which led us to conclude that fees may not have been accurately calculated.

A slight discrepancy of about \$2,300 was discovered due to the numerous changes of personnel in the office and switching over from a manual system to a computerized system. We discussed the matter with the secretary and the treasurer and they decided to look further into the matter to assess what caused the discrepancy and to prevent an occurrence. It was unidentifiable whether the discrepancy was due to understated revenues or overstated expenditures.

The auditors would like to thank Lori Seese and Timm Tenges for their help this year in supplying us with the information necessary to complete the audit.

Very truly yours,



Greg Heckler, Debbie Jones, and Paul Ditomasso
Lower Nazareth Township Auditors