

**RESOLUTION AUTHORIZING FISCAL YEAR ENDED JANUARY 31, 2021
AUDIT CORRECTIVE ACTION PLAN**

MOTIONED BY: Marotta
SECONDED BY: Friedrich

WHEREAS, the North Hudson Sewerage Authority (hereinafter "Authority") is a public body, duly formed under the Sewerage Authorities law, constituting Chapter 138 of the Laws of New Jersey of 1946, as amended (Chapter 14A of Title 40 of the New Jersey Statutes Annotated) and possesses the powers set forth therein; and

WHEREAS, N.J.A.C. 5:31-7.6 requires Authority that a corrective action plan, in the form of a resolution, be adopted by the members of the Authority's governing body with respect to comments and recommendations made in the audit; and

WHEREAS, N.J.A.C. 5:31-7.6 requires the corrective action plan be filed with the Division within 45 days of receipt of the annual audit; and

WHEREAS, the fiscal year ended January 31, 2021 audit did include a comment and recommendation.

WHEREAS, the Finance Committee has considered this request and recommends the approval of the full Board.

NOW, THEREFORE, BE IT RESOLVED that the Commissioners of the North Hudson Sewerage Authority adopt the following corrective action plan:

The Authority reviews its delinquent accounts on a regular basis to determine if any balances should be canceled, placed in property tax sale or litigated. The Authority is entitled under State law to have its delinquent accounts included in the tax sales of its four constituent municipalities. However, two of those municipalities (Weehawken and Union City) have not included sewer accounts in their respective tax sales for several years. This greatly hinders the ability of the Authority to collect delinquent accounts. The Authority's persistent efforts to persuade the two municipalities to include its liens in their tax sales have, thus far, met with no success.

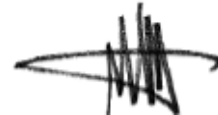
As a result of the municipalities' decisions not to include Authority delinquent accounts, the Authority has been compelled to hire Special Collections Counsel to assist in the collection of delinquent accounts which are not placed in tax sale. Efforts to collect those delinquent accounts have included payments plans, settlement agreements and litigation, as appropriate. The Authority Board has authorized for FY 2022-3 the implementation of an aggressive litigation strategy that will focus on the most flagrant debtors. The Authority will swiftly file a series of lawsuits against the largest and most aged accounts in the two municipalities. The Authority will also make more effective use of small claims court when and if appropriate.

DATED: APRIL 21, 2022

RECORD OF COMMISSIONERS' VOTE

	YES	NO	ABSENT
Commissioner Kappock	x		
Commissioner Marotta	x		
Commissioner Gardiner	x		
Commissioner Friedrich	x		
Commissioner Guzman	x		
Commissioner Velazquez	x		
Commissioner Barrera	x		
Commissioner Zucconi			x
Commissioner Assadourian	x		

THIS IS TO CERTIFY THAT THIS RESOLUTION WAS DULY ADOPTED BY THE NORTH HUDSON BOARD OF COMMISSIONERS ON APRIL 21, 2022.



SECRETARY