

**RESOLUTION AUTHORIZING FISCAL YEAR ENDED JANUARY 31, 2023
AUDIT CORRECTIVE ACTION PLAN**

MOTIONED BY: Friedrich
SECONDED BY: Gardiner

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, 2023 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:

1. 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. Account balances are cancelled when it is determined incorrect water consumption data was used to calculate the bill. 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 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. As a result of the municipalities' refusal 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's persistent efforts to persuade the two municipalities to include its liens in their tax sales have, thus far, met with no success. The Authority continues its collection efforts through its Special Collections Counsel and raises periodically the issue of exclusion from tax sales with the appropriate municipalities.
2. The Authority will ensure that all deposits are made within 48 hours by placing additional staff in roles of responsibility to ensure checks are deposited in a timely and legal manner.

DATED: OCTOBER 19, 2023

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 OCTOBER 19, 2023.



SECRETARY