**RESOLUTION NO. 2025-9.\_\_**

**OF THE GOVERNING BODY OF**

**THE BOROUGH OF BLOOMINGDALE**

**RESOLUTION APPROVING THE CORRECTIVE ACTION PLAN FOR 2024**

**WHEREAS**, all municipalities operating under the Local Fiscal Affairs Law must prepare and submit a Corrective Action Plan as part of their annual audit process; and

**WHEREAS**, the Borough of Bloomingdale has by Resolution accepted the 2024 audit as prepared and submitted by the Borough Auditors; and

**WHEREAS**, Heather Barkenbush, the Chief Financial Officer for the Borough of Bloomingdale has prepared a Corrective Action Plan to address the findings and recommendations in the 2024 audit report, including state, federal, and general findings as well as the status of all prior year findings and recommendations; and

**WHEREAS,** copies of same have been presented to the Mayor and Council;

**NOW, THEREFORE, BE IT RESOLVED** that the Governing Body of the Borough of Bloomingdale does hereby approve the attached hereto, Corrective Action Plan for the 2024 Audit Report, as prepared and recommended by the Chief Financial Officer, and direct the appropriate municipal officials to undertake its immediate implementation. The Municipal Clerk is hereby directed to submit the approved Corrective Action Plan to the Division of Local Government Services.

**CORRECTIVE ACTION PLAN 2024**

**Borough of Bloomingdale**

**Passaic County, NJ**

**1. FINDING/CONDITION –** A cash receipts book for the Property Maintenance Official was not available for audit review.

**RECOMMENDATION -** That a cash receipts book for the Property Maintenance Official be available for audit review.

**CORRECTIVE ACTION –** An electronic based cash receipt log was created and a cash receipts book was purchased for the Property Maintenance Official. The Finance Department met with the Property Maintenance Official for training on proper records maintenance.

**IMPLEMENTATION DATE:** Immediately

**2. FINDING/CONDITION –** Fees collected by the Senior Citizen Center for various trips were not in agreement with the ordinance adopted by the Borough Council.

**RECOMMENDATION –** That all fees collected for various trips by the Senior Citizen Center be in agreement with the ordinance adopted by the Borough Council.

**CORRECTIVE ACTION –** The fee ordinance is being updated to reflect the fees collected for various trips by the Senior Citizen Center. Continued efforts will be made to ensure all fees are properly reflected and in agreement with the ordinance adopted by the Borough Council.

**IMPLEMENTATION DATE:** Immediately and Ongoing

**3. FINDING/CONDITION** – During our review, it was noted that certain grant funds have not been realized or have not been fully expended, as reflected on Exhibits “A-16”, A-32” and C-4”.

**RECOMMENDATION-** That certain Federal and State Grants be reviewed and appropriate action taken as to their disposition.

**CORRECTIVE ACTION –** We are in the process of investigating the older Federal State Grants to determine if they need to be cancelled. Once our initial investigation is complete, we will continue to monitor the grants biannually to ensure that they are cancelled in a timely manner.

**IMPLEMENTATION DATE:** Immediately and Ongoing

**4. FINDING/CONDITION –** The detailed list of escrow deposits over $5,000.00 did not agree to audit controls.

**RECOMMENDATION -** That the detailed list of escrow deposits over $5,000.00 be reconciled to audit controls on a monthly basis.

**CORRECTIVE ACTION -** The Finance Office will work with the bank to reconcile subaccount balances to ensure accuracy.

**IMPLEMENTATION DATE:** Immediately and Ongoing

**5. FINDING/CONDITION –** In accordance with regulations of the Local Finance Board, capital ordinances over five years old cannot finance expenditures from cash not provided from its own resources. As of the date of this report, there are five (5) ordinances over five years old that have a deficit in cash, detailed as follows:

|  |  |  |
| --- | --- | --- |
|  | Ordinance |  |
|  | Number | Amount |
|  | 17-2009c, 15-2015c | $ 799.94 |
| General Capital | 14-2015, 19-2015 | 10,783.00 |
|  | 17-2016 | 14,935.26 |
|  | 10-2017a | 700.00 |
|  | 11-2019b | 40,205.27 |
|  |  | $67,423.47 |

**RECOMMENDATION -** That the unfunded improvements Authorizations in the General Capital Fund be reviewed and action be taken to include them in the next note sale or be raised in subsequent budgets.

**CORRECTIVE ACTION –** The unfunded improvement authorizations will be included in the February 2026 note sale.

**IMPLEMENTATION DATE:** Immediately and Ongoing

**6. FINDING/CONDITION -** Several time Library employees received bonus payments that were not reflected on their W-2. Any additional compensation must be reflected on their W-2 in accordance with regulations promulgated by the Internal Revenue Service.

**RECOMMENDATION -** That any additional compensation to Library employees be reflected on their W-2s.

**CORRECTIVE ACTION –** Library Director and Library Board members were trained and instructed on proper procedure in relation to employee wages and earnings, including bonuses.

**IMPLEMENTATION DATE:** Immediately