

**TOWNSHIP OF CEDAR GROVE
ESSEX COUNTY NEW JERSEY**

AGENDA ITEM: #7(d)

MAY 19, 2025

**RESOLUTION ACCEPTING THE 2024 AUDIT AND ATTENDANT CORRECTIVE
ACTION PLAN (“CAP”)**

WHEREAS, the 2024 Annual Audit of the Township of Cedar Grove, conducted by Nisivoccia LLP, contained certain recommendations requiring action; and

WHEREAS, these recommendations have been reviewed by the Township Manager and Chief Financial Officer; and

WHEREAS, the Township Manager and Chief Financial Officer, in accordance with the requirements promulgated by the New Jersey Division of Local Government Services, have developed a plan to address the recommendations listed by the auditor.

NOW, THEREFORE, BE IT RESOLVED, by the Township Council of the Township of Cedar Grove that the Corrective Action Plan for the 2024 Annual Municipal Audit, hereto attached, is hereby approved, and accepted; and

BE IT FURTHER RESOLVED that the Township Clerk is hereby directed to transmit a certified copy of this resolution and its attachments to the New Jersey Division of Local Government Services.

INTRODUCED BY: Deputy Mayor Mega

SECONDED BY: Councilman Maceri

ROLL CALL VOTE				
COUNCILMEMBER	YES	NO	ABSTAIN	ABSENT
Maceri	X			
Peterson	X			
Zazzali	X			
Mega	X			
Skabich	X			

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I HEREBY CERTIFY the foregoing to be a true copy of a resolution adopted by the Township Council of Cedar Grove, in the County of Essex, at its meeting held on May 19, 2025.



Dale A. Forde
Township Clerk



Township of Cedar Grove
2024 Audit Corrective Action Plan (“CAP”)

AUDIT COMMENTS:

- 1) The Township consider the implementation of a fixed assets accounting and reporting system.
 - a. **COMMENT:** A fixed assets accounting and reporting system is required to be in compliance with the New Jersey Administrative Code Accounting Requirements.
 - i. **CAP:** The Township will be soliciting requests for proposals for the implementation of a fixed asset accounting and reporting system for consideration in 2025.
- 2) Finance
 - a. **COMMENT:** All interfund balances be liquidated on a timely basis and every effort is made to limit interfund activity, especially those due to the Current Fund, in the future.
 - i. **CAP:** The Township previously paid all expenses out of the current fund and adjusted with journal entries. With the 2024 mid-year conversion to Edmunds, the amount of interfund transactions will be greatly limited and should resolve this comment in its entirety for 2025.
 - b. **COMMENT:** Animal Control state reports to be completed on a monthly basis.
 - i. **CAP:** The Township Manager and Chief Financial Officer implemented a monthly calendar with the Assistant Treasurer and Registrar to ensure monthly compliance is achieved. Copies of monthly reports must be submitted to the Township Manager and Chief Financial Officer within five (5) days of the month’s end.
 - c. **COMMENT:** The older grant balances in the Federal and State Grant Fund be reviewed for continued recognition.
 - i. **CAP:** The Chief Financial Officer and the Township Manager will continue investigating older grant balances to ensure their validity and making any necessary adjustments for balances which are no longer deemed valid by canceling said balances to the current fund.
 - d. **COMMENT:** Expenditures be monitored more closely to ensure there are no over-expenditures.
 - i. **CAP:** The Township will be using Edmunds for the entire 2025 Fiscal Year which will prevent any over-expenditure of capital and operating accounts.
 - e. **COMMENT:** Revenues and expenditures are budgeted and reviewed to ensure that utility operating funds do not operate in a deficit.
 - i. **CAP:** The Township is actively monitoring the utility budgets and rates and adjusting them accordingly to ensure sufficient revenues fund operations so that the utilities are self-sustaining.