

April 15, 2025

BOROUGH OF BRADLEY BEACH

RESOLUTION 2025-146

2023 AUDIT CORRECTIVE ACTION PLAN

Mayor Gubitosi offered the following resolution and moved its adoption:

WHEREAS, the 2023 Audit was received by the Mayor and Council of the Borough of Bradley Beach; and

WHEREAS, certain comments and recommendations were made in the 2023 audit and are attached hereto and made part hereof as “Schedule A”; and

WHEREAS, a Corrective Action Plan has been submitted to the Interim CFO of the Borough of Bradley Beach and is attached hereto and made part hereof as “Schedule A”; and

WHEREAS, it is the desire of the Mayor and Council of the Borough of Bradley Beach to implement the Corrective Action Plan in response to comments and recommendations contained in the 2023 Audit Report.

NOW, THEREFORE BE IT RESOLVED by the Mayor and Borough Council of the Borough of Bradley Beach, County of Monmouth, State of New Jersey as follows:

1. That the Mayor and Council have implemented the Corrective Action plan filed by the Interim CFO to comply with the comments and recommendations as set forth in the 2023 Audit
2. That a certified copy of this resolution shall be forwarded to the Division of Local Government Services, the Business Administrator, Interim CFO and the Borough Auditor.

Seconded by Councilperson _____ and adopted on roll call by the following vote:

AYES	NAYS	ABSTAIN	ABSENT
-------------	-------------	----------------	---------------

Ms. DeNoble
 Ms. Greenblatt
 Mr. Nowicki
 Mr. Weber
 Mayor Gubitosi

CERTIFICATION

I, Erica Kostyz, Municipal Clerk, Borough of Bradley Beach, Monmouth County, New Jersey, do hereby certify that the foregoing resolution was duly adopted by the Governing Body at the April 15, 2025 Council Business Meeting.

Erica Kostyz, RMC, CMR
 Municipal Clerk

SCHEDULE A

BOROUGH OF BRADLEY BEACH
COUNTY OF MONMOUTH
STATE OF NEW JERSEY

CORRECTIVE ACTION PLAN 2023 AUDIT

Other Internal Control and Compliance Matters

2023-001*

Comment

We noted that the general fixed assets and accounting and reporting system was not maintained on a current and timely basis.

Recommendation

We recommend that the general fixed assets and accounting and reporting system be maintained on a current and timely basis.

Corrective Action:

The general fixed assets and accounting and reporting system will be maintained on a timely basis.

2023-002*

Comment

We noted that there were interfund balances at year-end.

Recommendation

We recommend that, where practicable, interfund balances be liquidated prior to year-end or subsequently liquidated on a timely basis in the following year.

Corrective Action:

Interfund balances will be liquidated prior to year end.

2023-003*

Comment

We noted that there were inactive accounts recorded on the balance sheets of various Borough funds.

Recommendation

We recommend that inactive accounts recorded on the balance sheets of various Borough funds be reviewed on an annual basis for potential disposition.

Corrective Action:

Inactive accounts will be reviewed and disposed of accordingly.

2023-004*

Comment

We noted that dedication by riders were not obtained from the Division of Local Government Services for certain reserve balances recorded in the trust other fund.

Recommendation

We recommend that all reserve balances recorded in the trust other fund be reviewed and, where appropriate, dedication by rider resolutions be adopted and submitted to the Division of Local Government Services for approval.

Corrective Action:

All reserve balances recorded in the trust other fund will be reviewed and where appropriate, dedication by rider resolutions be adopted and submitted to the Division of Local Government Services for approval.

2023-005*

Comment

We noted that detailed escrow accounts were not maintained for the planning board, and that these accounts were not reconciled to general ledger.

Recommendation

We recommend that, once detailed escrow accounts for the planning board are finally analyzed and established, these accounts be reconciled to the general ledger on a current and timely basis.

Corrective Action:

The accounts be reconciled to the general ledger on a current and timely basis.

2023-006*

Comment

We noted that clearing account bank reconciliations were not accurately reconciled to the general ledger on a current and timely basis.

Recommendation

We recommend that clearing account bank reconciliations be accurately reconciled to the general ledger on a current and timely basis.

Corrective Action:

The accounts be reconciled to the general ledger on a current and timely basis.

2023-007

Comment

We noted that there were overexpenditures of appropriation reserves in the current fund and the beach utility operating fund and an expenditure without an appropriation in the sewer utility operating fund.

Recommendation

We recommend that internal control procedures be enhanced to avoid overexpenditure of appropriation reserves and expenditures without an appropriation.

Corrective Action:

The Borough will enhance Edmunds software controls to avoid overexpenditures.

2023-008*

Comment

We noted that the payroll bank reconciliation was not completed and accurately reconciled to the general ledger on a current and timely basis.

Recommendation

We recommend that the payroll account bank reconciliations be completed and accurately reconciled to the general ledger on a current and timely basis.

Corrective Action:

The bank reconciliations will be completed and accurately reconciled to the general ledger on a current and timely basis.

2023-009*

Comment

We noted that the liability for compensated absences as of December 31, 2023 was not presented in the user friendly budget and was not presented in the financial statements.

Recommendation

We recommend that a compensated absences liability amount be calculated on an annual basis for presentation in the user friendly budget and in the financial statements.

Corrective Action:

The compensated absences liability amount will be calculated on an annual basis for presentation in the user friendly budget and in the financial statements.

2023-010

Comment

We noted that subsidiary animal control fund records were not accurately maintained and that monthly animal control reports were not filed or not timely filed with the State of New Jersey.

Recommendation

We recommend that subsidiary animal control fund records be accurately maintained and that monthly animal control reports be filed with the State of New Jersey on a timely basis.

Corrective Action:

Subsidiary animal control fund records will be accurately maintained and that monthly animal control reports will be filed with the State of New Jersey on a timely basis.

2023-011*

Comment

We noted that an ordinance, as required by N.J.A.C. 5:30-17.6, was not adopted that authorizes the Borough's payroll service provider to perform the payroll tax disbursement function. In addition, the ordinance is required to designate a responsible individual to authorize and supervise the activities of the payroll service provider.

Recommendation

We recommend that Borough adopt an ordinance in accordance with N.J.A.C. 5:30-17.6 that authorizes the payroll service provider to perform the payroll tax disbursement function and that a responsible individual is designated to authorize and supervise the activities of the provider.

Corrective Action:

The Borough will adopt an ordinance in accordance with N.J.A.C. 5:30-17.6 that authorizes the payroll service provider to perform the payroll tax disbursement function and that a responsible individual is designated to au