

Notice Number

Date

LOCAL FINANCE NOTICEDONALD T. DIFRANCESCO
ACTING GOVERNORJANE M. KENNY
COMMISSIONERANTHONY CANCRO
ACTING DIRECTOR

«MCode»

**Legislative Initiative Municipal Block Grant Distribution
CY 2001/FY 2002**

With the adoption of the State's FY 2002 budget and the release of population figures, revisions have been made to the initial estimates of Legislative Initiative Municipal Block Grant aid for CY 2001/FY 2002.

The adopted State budget holds all municipalities harmless from aid decreases stemming from loss of population. However, because budget estimates for the fiscal year were made prior to release of population figures, the State appropriation for the aid program is insufficient to fully fund the aid program based on the new population.

The budget appropriation provides a total of \$34,825,000, an increase of \$1,000,000 from last year. Aid was distributed so that all municipalities received at least the same amount as last year, and those with increased populations were prorated among the remaining funds. CY 2001 budgets anticipated the same amount of aid as last year.

The allocation for your municipality is:

«MUNICIPALITY» «COUNTY» \$«Final_Distribution»

This amount was included in the aid payment received on August 31, 2001. In order to reconcile the amount of the payment to the Aid Recapitulation sent to municipalities in July, Chief Financial Officers should change the Legislative Initiative amount on the recapitulation to the amount shown above. Due to rounding, the amount may vary by \$1.00, in either direction. **Calendar Year municipalities and State Fiscal year municipalities that have adopted their budgets must reserve any excess funds for anticipation in next year's budget.** Other State Fiscal Year municipalities must act to include the full funding in their SFY 2002 budget.

Questions regarding the distribution can be e-mailed to dlgs@dca.state.nj.us, or by phone to 609-984-2132.

Thank you for your cooperation in this matter.



Anthony Cancro, Acting Director
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