

Transitional Aid Application for Calendar Year 2022
Division of Local Government Services
Department of Community Affairs

General Instructions: This application must be submitted in its entirety by April 1, 2022, for funding consideration under this program. Information contained in the application is subject to independent verification by the Division. Refer to Local Finance Notice 2022-3 when preparing this application for specific instructions and definitions and review the Submission Checklist on Page 20 of this application and listed on Page 7 of the Local Finance Notice.

Name of Municipality:		Manville Borough		County:	Somerset
Contact Person:		Gian-Paolo Caminiti		Title:	Administrator
Phone:	908-725-9478	Fax:		E-mail:	gcaminiti@manvillenj.org

I. Aid History

List amount of Transitional Aid received for the last three years, if any:

CY 2021	CY 2020	CY 2019
\$0	\$0	\$0

II. Aid Request for Application Year: (All municipalities currently operating under a Transitional Aid MOU are advised that a decrease from prior year funding should be anticipated.)

Amount of aid requested for the Application Year:	\$2,000,000
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If not seeking a decrease, a letter from the Mayor is required. See Local Finance Notice 2022-3

III. Submission Requirements

The following items must be submitted with, or prior to, submission of this application. Indicate date of submission of each.

Item	Date Submitted to DLGS
2022 Annual Financial Statement	3/4/22
2021 Annual Audit	TBD
2021 Corrective Action Plan	N/A
Application Year Introduced Budget	5/9/22
Budget Documentation Submitted to Governing Body	3/21/22

IV.A Application Certification

The undersigned herewith certify that they have reviewed this application and, individually, believes the contents to be true and accurately portray the circumstances regarding the municipality's fiscal practices and need for financial assistance. By submitting the application, the municipality acknowledges that the law provides that the decision of the Director regarding aid awards is final and not subject to appeal.

Official	Signature	Date
Mayor/Chief Executive Officer	<i>Richard M. Endecko, Mayor</i>	5-25-22
Governing Body Presiding Officer	<i>Jon A. L...</i>	5/26/22
Chief Financial Officer	<i>M. P...</i>	5/10/2022
Chief Administrative Officer	<i>[Signature]</i>	5/25/22

IV.B CY2021 Transitional Aid Recipients Applying in 2022

CY2021 Municipalities operating under a Memorandum of Understanding ("MOU") must certify that they are in substantial compliance with all conditions and requirements of the MOU.

Official	Signature	Date
Mayor/Chief Executive Officer	N/A	
Governing Body Presiding Officer	N/A	
Chief Financial Officer	N/A	
Chief Administrative Officer	N/A	

V-A. Explanation of Need for Transitional Aid

Explain the circumstances that warrant Transitional Aid in narrative form. Include factors that result in a constrained ability to raise sufficient revenues to meet budgetary requirements, and if such revenues were raised, how it would jeopardize the fiscal integrity of the municipality.

See attached memo from Mayor Onderko.

V-B. Demonstration of Revenue Loss/Substantial Cost Increase

Show: (1) specific, extraordinary revenue losses, but not as the aggregate of many revenues line items; and (2) specific, extraordinary increases in appropriations, but not as the aggregate of many appropriation line items. Describe the item in the cell below each entry. If applicable, indicate in the description of the extraordinary increase in expenditure if the increase was the result of a policy decision made by the municipality (i.e. a back-loaded debt service schedule, deferred payment, costs associated with additional hires, etc.)

Revenue or Appropriation	2020 Value	2021 Value	Amount of Loss/Increase
Appropriation	\$0	\$1,000,000	\$1,000,000
Description:	EMERGENCY APPROPRIATION FOR IDA FLOOD		
Description:			
Description:			
Description:			
Description:			
Description:			
Description:			
Description:			
Description:			

V-C. Actions to Reduce Future Need for Aid

Detail the steps the municipality is taking to reduce the need for future aid. Include details about shared services and consolidation, long-term cost cutting and enhanced revenue plans, impact of new development, potential for grants to offset costs, and estimated short and long-term annual savings.

These steps should demonstrate initiatives taken to bring structural balance to the Municipality's finances and shall include, but are not limited to the following:

Use additional pages if necessary

- Efforts to bring economic development to the Municipality; and
- A plan to constrain or reduce staffing costs through collective negotiation, attrition, consolidation, restructuring, or other personnel actions; and
- A plan to eliminate, reduce or constrain the costs of non-essential services and activities; and
- A plan to maximize recurring revenues, including, as appropriate: updating fees, fines and penalties; maximizing enforcement of delinquencies; and selling surplus land and property; and
- A plan to address findings contained in various audits, investigations, and reports with respect to the Municipality, including municipal audits, applicable State Comptroller and State Auditor reports and audits, federal program audits, and other audits as identified by the Director.

Will begin studying possible shared services for some of the Borough's major operations.

Begin study in feasibility of selling utility.

V-D. Discussion of Health Benefits

Skip this section if using SHBP. If not using SHBP, explain why the municipality's current health benefits plan is cheaper, or what other reasons exist to reject this alternative. Additionally, list all brokers (primary broker or risk manager, all co-brokers, and sub-brokers) together with their compensation for the current and prior two fiscal years. Compensation must be disclosed in this section whether provided directly by the municipality or as a commission from the insurance provider. It is the municipality's right, and obligation, to determine whether the broker is compensated with commission in order to fully complete this section. If commissions are being earned, provide both how the commission is calculated (percentage of premium or self-insurance) and the actual \$ value of the commission received in each year.

Using SHBP

Application Year: CY2022	Municipality: Manville Borough	County: Somerset
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VI. Historical Fiscal Statistics

Item	2020	2021	Introduced Application Year
1. Property Tax/Budget Information			
Municipal tax rate	\$1.039	\$.977	\$.888
Municipal Purposes tax levy	\$9,542,787	\$9,655,326	\$9,604,027.69
Municipal Open Space tax levy	\$0	\$0	\$0
Total general appropriations	\$14,151,270	\$15,211,050	\$15,579,829.71
2. Cash Status Information			
% Of current taxes collected	98.62%	98.39%	%
% Used in computation of reserve	94.81%	94.92%	94.58%
Reserve for uncollected taxes	\$1,500,000	\$1,500,000	\$1,600,000
Total year end cash surplus	\$2,210,391	\$2,208,160	
Total non-cash surplus	\$74,200	\$1,020,600	
Year-end deferred charges	\$74,200	\$1,020,600	
3. Assessment Data			
Assessed value (as of 1/10)	\$918,407,159	\$988,611,862	\$1,081,120,600
Average Residential Assessment	\$243,600	\$264,923	\$288,816
Number of tax appeals granted			
Amount budgeted for tax appeals	\$	\$	\$
Refunding bonds for tax appeals	\$	\$	\$
4. Staffing Levels			
Total Number of Sworn Police -	24	23	25
Total S&W Expenditures	\$ 2,686,056.79	\$ 2,695,569.86	\$ 2,785,387.00
Class 2 and Class 3 Officers			
Total S&W Expenditures			
Uniformed Fire - Staff Number	0	0	0
Total S&W Expenditures	\$	\$	\$
Number of Other Full-time Employees	28	26	26
Total S&W Expenditures	\$ 1,935,569.86	\$ 1,968,859.00	\$ 1,981,465.00
Number of Other Part-time Employees	30	23	22
Total S&W Expenditures	436,957.30	372,259.80	306,099.80
5. Impact of Proposed Tax Levy			

			Amount
Current Year Taxable Value			1,081,120,600
Introduced Tax Levy			9,604,027.669
Proposed Municipal Tax Rate	.888	Average Res. Value (#4 above)	288,816
Current Year Taxes on Average Residential Value (#4 above)			\$2,565.67
Prior Year Taxes on Average Residential Value			\$2,587.38
Proposed Increase in average residential taxes			(\$21.72)

VII. Application Year Budget Information

A. Year of latest revaluation/reassessment

Annual Reassessment
103.98%

A1. Most current equalized ratio

B. Proposed Budget – Appropriation Cap Information

Item	Yes	No
1. Was an appropriation cap index rate ordinance adopted last year? If YES: % that was used	X	
3.5%		
2. Amount of appropriation cap bank available going into this year		
\$519,229		
3. Is the Application Year budget at (appropriation) cap? If NO, amount of remaining balance		X
48,364		
4. Does the Application Year anticipate use of a waiver to exceed the appropriation cap? If YES, amount:		X
\$		

C. List the five largest item appropriation increases:

Appropriation	Prior Year Actual	Application Year Proposed	\$ Amount of Increase
Deferred Charges Emergency: IDA	\$0	\$1,000,000	\$1,000,000
RUT	\$1,500,000	\$1,600,000	\$100,000
Admin Salary & Wages	\$132,500	\$175,000	\$42,500
Public Works O/E	\$704,130	\$770,000	\$65,870
Public Works S/W	\$1,234,971	\$1,258,135	\$23,164

D. List all new property tax funded full-time positions planned in the Application Year:

Department/Agency	Position	Number	Dollar Amount
Administration	Administrative Assistant	1	\$40,000

Application Year: CY2022	Municipality: Manville Borough	County: Somerset
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E. Display projected tax levies, local revenues (not grants), anticipated (gradually reduced) Transitional Aid, total salary and wages, and total other expenses projected for the three post-application years:

	Tax Levy	Local Revenues	Transitional Aid	Total S&W	Total OE
First year	7,756,200	6,095,320	1,800,000	5,488,604	10,198,845
Second year	7,911,500	6,217,225	1,600,000	5,598,375	10,198,845
Third year	8,069,455	6,341,570	1,400,000	5,710,340	10,198,845

VIII. Financial Practices

A. Expenditure controls and practices:

Question	Yes	No
1. Is an encumbrance system used for the current fund?	X	
2. Is an encumbrance system used for other funds?	X	
3. Is a general ledger maintained for the current fund?	X	
4. Is a general ledger maintained for other funds?	X	
5. Are financial activities largely automated? If so, please identify system being used.	MSI	
6. Does the municipality operate the general public assistance program?	X	
7. Are expenditures controlled centrally (Yes) or de-centrally by dept. (No)?		X
8. At any point during the year are expenditures routinely frozen?	X	
9. Has the municipality adopted a cash management plan?	X	
10. Have all negative findings in the prior year's audit report been corrected? If not, be prepared to discuss why not in your application meeting.	X	

B. Risk Management: Indicate ("x") how each type of risk is insured.

Coverage	JIF/HIF	Self	Commercial
General liability	X		
Vehicle/Fleet liability	X		
Workers Compensation	X		
Property Coverage	X		
Public Official Liability	X		
Employment Practices Liability	X		
Environmental	X		
Health	SHBP X		

C. 1) Salary and Employee Contract Information (when more than one bargaining unit for each category, use average):

Question	Police	Fire	Other Contract	Non-Contract
Year of last salary increase	2021	N/A	2021	2021
Average total cost percentage increase	2%	0%	2%	2%
Last contract settlement date	2020	2020	2020	
Contract expiration date	2023	2023	2023	

Application Year: CY2022	Municipality: Manville Borough	County: Somerset
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2) Explain, if any, actions that have been taken or are under consideration for the Application Year:

Action	Police	Fire	Other Contract	Non-Contract
Furloughs (describe below)	N/A	N/A	N/A	N/A
Wage Freezes (describe below)	N/A	N/A	N/A	N/A
Layoffs (describe below)	N/A	N/A	N/A	N/A

D. Tax Enforcement Practices:

Question	Yes	No
1. Did the municipality complete its accelerated tax sale by December 31, if included in 2022 budget? If not, please include a letter from the tax collector explaining why he/she failed to complete the sale in a timely manner and what the impacts were on cash flow and lost investment earnings.		X
2. When was the last foreclosure action taken or tax assignment sale held: Date:		3-3-21
3. On what dates were tax delinquency notices sent out in 2021: Date:		12-13-21
4. Date of last tax sale: Date:		12-16-21

E. Specialized Service Delivery:

If the answer to either question is "Yes," provide (as an appendix) a cost justification of maintaining the service without changes.

Service	Yes	No
Sworn police or firefighters are used to handle emergency service call-taking and dispatch (in lieu of civilians)		X
The municipality provides rear-yard solid waste collection through the budget	X	

F. Other Financial Practices

1. Amount of interest on investment earned in:

2020	\$18,709	2021	\$0	Anticipated Application Year:	\$0
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2. List the instruments in which idle funds are invested:

Savings	

3. What was the average return on investments during 2021?

0%

4. Left Blank Intentionally

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5. The name and firm of the municipality's auditor?

Suplee & Clooney

6. When was the last time the municipality changed auditors?

G. Status of Collective Negotiation (Labor) Agreements: List each labor agreement by employee group, contract expiration date, and the status of negotiations of expired contracts.

Employee Group	Expiration Date	Status of Negotiations of Expired Agreement
PBA	2023	Not Started
Teamsters	2023	Not Started
Clerical	2023	Not Started

H. Tax Abatements. Please provide a detailed discussion of any short-term or long-term tax abatements that are currently in place or are currently being negotiated including the following information:

Project Name/Property	Type of Project	2021 PILOT Billing	2021 Assessed Value	2021 Taxes If Billed in Full at 2020 Total Tax Rate	Term of Tax Abatement
N/A					

**IX-A. List actions that limited Salary and Wage costs: i.e., layoffs, furloughs, freezes, contract concessions, etc.
(See item C-3 in Local Finance Notice for details)**

S&W Line Item	Prior Year Actual	Application Year Proposed	Explanation of Change
N/A			

IX-B. List actions that limited or reduced Other Expense costs: i.e., reductions, changes, or elimination of services, procurement efficiencies or restraint. Include changes in spending policies that reduce non-essential spending.

Line Item	Prior Year Actual	Application Year Proposed	Explanation of Change
Other Expenses			No Increases without justifications

IX-C. Evaluate existing local revenues, as to whether the rates or collections can be increased or imposed, and if so, how changes will be implemented.

Local Revenues and services provided though the General/Current Fund	Check if services are provided	Are fees charged to cover the costs of the program?	If fees do not cover costs, what is the amount of subsidy?	If there is a subsidy, explain why fees cannot be increased to reduce or eliminate subsidy.
Recreation programs	☑	Yes		
Sewer Fees	☑	Yes		
Water Fees	☐			
Swimming Pool	☑	Yes		
Uniform Construction Code	☑	Yes		
Uniform Fire Code	☑	Yes		
Land Use Fees	☑	Yes		
Parking Fees	☐			
Beach Fees	☐			
Insert other local fees below:	☐			
Land Use Escrow fees for in-house staff	☐			
Land Use Escrow fees for independent contractors	☐			

X. Service Delivery

List all services that the municipality contracts to another organization: i.e., shared services with another government agency, including formal and informal shared services, memberships in cooperative purchasing program, private (commercial), or non-profit organization.

Type of Service	Name of Contracted Entity	Estimated Amount of Contract	Estimated Savings	Year Last Negotiated (as applicable)
Finance	Montgomery Township	110,000	\$100,000	
Court	Hillsborough Township	139,500	\$100,000	
Health	Somerset County	87,720	\$50,000	
Animal Control	Somerset County	55,000	\$50,000	

Section XI – Impact of Limited or No Aid Award

Describe in detail the impact if aid is not granted for the current fiscal year. Essential services needs should be given priority. List the appropriate category of impact if the aid is not received. Rank each item from both lists as to the order in which elimination will take place. If across the board cuts will be made, indicate under service. **For rank order purposes, consider the two sections as one list. The cuts outlined here are one that the municipality will make absent a grant of aid.**

Rank Order	Department	# Of Layoffs	Effective Date	2021 Full Time Staffing	2022 Full Time Staffing	\$ Amount to be Saved

If services will be reduced, describe the service, impact and cost savings associated with it.

Rank Order	Service	Cost Savings	Impact on Services

XII. Agreement to Improve Financial Position of Municipality

If aid is granted, the municipality will be required to submit to certain reporting conditions and oversight as authorized by law and a new Memorandum of Understanding will need to be signed. Please mark each box below indicating that the applicant understands and agrees to comply with these broad reporting and oversight provisions.

	Yes	No
1. Allow the Director of Local Government Services to assign management, financial, and operational specialists to assess your municipal operations.	X	
2. Implement actions directed by the Director to address the findings of Division staff.	X	
3. Enter into a new Memorandum of Understanding and comply with all its provisions, without exception.	X	

XIII. Certification of Past Compliance for Municipalities Currently Operating Under a Transitional Aid MOU:

The undersigned certify that the municipality is in substantial compliance with the conditions and requirements of the 2021 MOU and is operating in good faith to correct those area of noncompliance that have been identified.

Mayor: _____ N/A _____ Date: _____

Chief Financial Officer: _____ N/A _____ Date: _____

Chief Administrative Officer: _____ N/A _____ Date: _____

XIV. CAMPS Certification (County and Municipal Personnel System - Civil Service municipalities only)

For Civil Service municipalities, the undersigned, being knowledgeable thereof, hereby certify that the municipality has placed the names of all current civil service employees in NJ "CAMPS."

Human Resources or Personnel Director: _____ N/A _____ Date: _____

Chief Administrative Officer: _____ N/A _____ Date: _____

XV. CERTIFICATION OF APPLICATION FOR TRANSITIONAL AID

The undersigned acknowledges the municipality must comply with the foregoing requirements to receive Transitional Aid. In addition, included with this application is a copy (printed or electronic) of the budget documentation supporting the budget calculation that was provided to the governing body.

Mayor: Richard M. Ouderkop Date: 5/10/2022

Chief Financial Officer: M. Pina Date: 5/10/2022

Chief Administrative Officer: [Signature] Date: 5/10/22

APPENDIX A

Submission Checklist:

- Signed and certified application
- Copy of introduced budget, Annual Financial Statement and budget documentation
- Organization charts
- Copies of current labor contracts
- Copies of salary ordinance/resolutions and any contracts of non-union affiliated individuals
- Debt service schedules for all municipal obligations, including municipally operated utilities; all listed by payment date
- For prior recipients requesting level or increased funding, a letter from the mayor explaining why they failed to reduce their need for funding
- For new applicants, a governing body resolution authorizing application and agreeing to State supervision immediately upon filing of the application.
- A list of all motor vehicles owned or leased by the municipality (excluding construction equipment and fire apparatus); the agency assigned to its use; if the vehicle is assigned to an individual, the name of the individual; and if the vehicle is used by the individual outside of the regular workday or taken home by the individual
- A certification that copies of all active collective negotiation's agreements and the cost-out of each have been delivered to PERC. Support documentation regarding the method of cost out must also be provided
- List of all existing shared service agreements
- List of documented efforts to share municipal services, including public safety dispatch, code enforcement, public health services, and other services offered by neighboring municipalities, area boards of education, local authorities, or the county, if those costs are less than the current full cost of providing equivalent service

Submission Instructions:

- E-mail electronic forms to dlgs@dca.nj.gov, with "<name of municipality> Transitional Aid Application" in the subject line.
- Submit one copy of the signed application form and any printed documents to:
Transitional Aid Program
Division of Local Government Services
101 South Broad Street
PO Box 803
Trenton, NJ 08625-0803