

**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.

<b>Name of Municipality:</b>		Borough of Seaside Heights		<b>County:</b>	Ocean
<b>Contact Person:</b>		Christopher Vaz		<b>Title:</b>	Administrator
<b>Phone:</b>	732-793-9100	<b>Fax:</b>	732-793-0319	<b>E-mail:</b>	administrator@seaside-heightsnj.org

**I. Aid History**

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

CY 2021	CY 2020	CY 2019
\$1,859,775	\$1,011,500	\$1,011,500

**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.)

<b>Amount of aid requested for the Application Year:</b>	<b>\$730,809</b>
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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	
2021 Annual Audit	12/20/2021
2021 Corrective Action Plan	01/05/2022
Application Year Introduced Budget	04/06/2022
Budget Documentation Submitted to Governing Body	04/06/2022

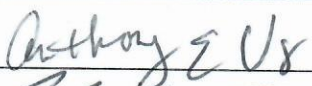
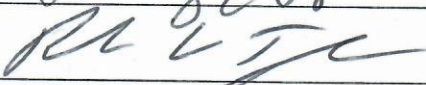
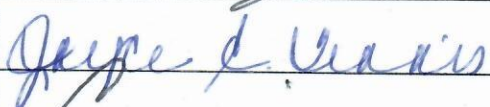

Application Year: CY2022

Municipality:

County:

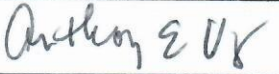

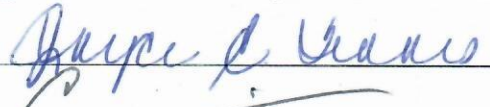

#### IV.A Application Certification

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		4/8/2022
Governing Body Presiding Officer		4/8/22
Chief Financial Officer		4/8/22
Chief Administrative Officer		4/8/2022

#### 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		4/8/2022
Governing Body Presiding Officer		4/8/22
Chief Financial Officer		4/8/22
Chief Administrative Officer		4/8/2022

**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.

Borough of Seaside Heights continues to experience loss of ratables resulting from Superstorm Sandy (2012) and the South End Boardwalk Fire (2013).

2012: \$843,276,901

2020: \$646,254,900

2021: \$661,353,800 (net increase from 2020 of \$15,098,900)

2022: \$672,615,500 (net increase from 2021 of \$11,261,700)

Although the net difference from 2012 to 2022 remains a very substantial deficit of \$170,661,401, there is strong evidence supporting a positive outlook this year and in coming years.

Residential real estate market remains hot in Seaside Heights, including tear downs and new construction. Planning Board activity has been strong.

A large commercial development on the south end of the boardwalk opened later summer 2021.

Borough Council, on May 5, 2021, designated a redeveloper for the "steel skeleton" property that was blighting the Boulevard since 2009. The steel structure was demolished, as was the former Bamboo Bar property. We anticipate 120 new condominiums, 4 retail stores, and 1 restaurant to be located within the new buildings.

\* Factors that result in constrained ability to raise sufficient revenues to meet budget requirements, and if such revenues were raised, how would it substantially jeopardize the fiscal integrity of the

Borough:

In the absence of a major positive shift in the aggregate assessed value of real property in the Borough, we do not have the ability to raise sufficient tax revenues or other revenues to meet budgetary requirements. Ratables have been inching back, but we may need a revaluation or reassessment in 2-3 years to be made whole as a result of the current market.

**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.)

<b>Revenue or Appropriation</b>	<b>2020 Value</b>	<b>2021 Value</b>	<b>Amount of Loss/Increase</b>
Appropriation - PFRS	769,978	827,250	57,272
<b>Description:</b>	Law Enforcement Pension		
<b>Description:</b>			
<b>Description:</b>			
<b>Description:</b>			
<b>Description:</b>			
<b>Description:</b>			
<b>Description:</b>			
<b>Description:</b>			
<b>Description:</b>			

**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.

**Economic development**

Borough continues to meet with developers to pitch redevelopment of the Boulevard and residential construction opportunities off the Boulevard. Both areas in need of redevelopment created by Borough Council have new owners with development plans in the works.

Borough Council recently authorized the Planning Board to conduct studies whether 13 additional properties qualify for designation as areas in need of redevelopment.

**Staffing**

The Borough workforce has shrunk since 2016 (first year that Seaside Heights was in the TA program). It hasn't been easy, especially in light of growing workflow demands created by OPRA, but we've been leveraging technology. Recently approved hiring of two police officers and a sergeant for the Boardwalk have been critical to public safety. But Public Works Department continues to be in need of permanent employees and the clerical staffing in the main office of Borough Hall remains short.

**Appropriations**

We continue to actively monitor spending, and rely on end of year balances for major necessary purchases.

**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.

**N/A**

## VI. Historical Fiscal Statistics

Item	2020	2021	Introduced Application Year
<b>1. Property Tax/Budget Information</b>			
Municipal tax rate	\$1.025	\$1.054	\$1.098
Municipal Purposes tax levy	\$6,626,509.93	\$6,973,319.63	\$7,387,102.12
Municipal Open Space tax levy	\$0	\$0	\$0
Total general appropriations	\$14,744,457.62	\$15,149,235.20	\$15,152,305.87

<b>2. Cash Status Information</b>			
% Of current taxes collected	99.32%	98.89%	%
% Used in computation of reserve	98.50%	98.50%	%
Reserve for uncollected taxes	\$239,225.90	\$243,140.32	\$
Total year end cash surplus	\$3,436,880.07	\$3,790,086.93	
Total non-cash surplus	\$0	\$	
Year-end deferred charges	\$31,096.00	\$	

<b>3. Assessment Data</b>			
Assessed value (as of 1/10)	\$646,254,900	\$661,353,800	\$672,615,500
Average Residential Assessment	\$	\$236,896	\$
Number of tax appeals granted	1		
Amount budgeted for tax appeals	\$10,000	\$100,000	\$50,000
Refunding bonds for tax appeals	\$0	\$0	\$0

<b>4. Staffing Levels</b>			
Total Number of Sworn Police -	25	25	26
Total S&W Expenditures	\$3,436,880	\$3,539,986	\$3,646,185
Class 2 and Class 3 Officers	30	30	30
Total S&W Expenditures	600,000	600,000	600,000
Uniformed Fire - Staff Number	0	0	0
Total S&W Expenditures	\$0	\$0	\$0
Number of Other Full-time Employees	49	50	51
Total S&W Expenditures	\$	\$	\$
Number of Other Part-time Employees	13	13	13
Total S&W Expenditures			

### 5. Impact of Proposed Tax Levy

			Amount
Current Year Taxable Value			672,615,500
Introduced Tax Levy (total all levies: \$16,806,983)			7,387,102
Proposed Municipal Tax Rate	1.098	Average Res. Value (#4 above)	244,283
Current Year Taxes on Average Residential Value (#4 above)			2,682.22
Prior Year Taxes on Average Residential Value			2,574.74
Proposed Increase in average residential taxes			107.48

**VII. Application Year Budget Information**

A. Year of latest revaluation/reassessment

2013
84.71

A1. Most current equalized ratio

B. Proposed Budget – Appropriation Cap Information

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

	Yes	No
	X	
1%		
\$1,028,699		
	X	
\$509,036		
		X
\$		

C. List the five largest item appropriation increases:

Appropriation	Prior Year Actual	Application Year Proposed	\$ Amount of Increase
Gasoline	122,118	200,000	87,882

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

Department/Agency	Position	Number	Dollar Amount
Code Enforcement	Code Enforcement Officer trainee (new)	1	40,000
Finance	Clerk 1 (vacant)	1	40,000
Court	Clerk 1 (anticipating a vacancy)	1	40,000



**Application Year: CY2022**

**Municipality: Seaside Heights**

**County: Ocean**

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:

	<b>Tax Levy</b>	<b>Local Revenues</b>	<b>Transitional Aid</b>	<b>Total S&amp;W</b>	<b>Total OE</b>
<b>First year</b>					
<b>Second year</b>					
<b>Third year</b>					

**VIII. Financial Practices**

A. Expenditure controls and practices:

<b>Question</b>	<b>Yes</b>	<b>No</b>
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.	X	
6. Does the municipality operate the general public assistance program?		X
7. Are expenditures controlled centrally (Yes) or de-centrally by dept. (No)?		
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.

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

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

<b>Question</b>	<b>Police</b>	<b>Fire</b>	<b>Other Contract</b>	<b>Non-Contract</b>
Year of last salary increase	2020	N/A	2021	2020
Average total cost percentage increase	2.5%	0%	2.5%	2%
Last contract settlement date	2020	N/A	2020	
Contract expiration date	12/31/2020	N/A	12/31/2021	

<b>Application Year: CY2022</b>	<b>Municipality: Seaside Heights</b>	<b>County: Ocean</b>
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2) Explain, if any, actions that have been taken or are under consideration for the Application Year:

<b>Action</b>	<b>Police</b>	<b>Fire</b>	<b>Other Contract</b>	<b>Non-Contract</b>
Furloughs (describe below)	X		X	X
If transitional aid is denied.				
Wage Freezes (describe below)	X		X	X
If transitional aid is denied.				
Layoffs (describe below)	X		X	X
If transitional aid is denied.				

**D. Tax Enforcement Practices:**

<b>Question</b>	<b>Yes</b>	<b>No</b>
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: <span style="float: right;">Date:</span>	N/A	
3. On what dates were tax delinquency notices sent out in 2021: <span style="float: right;">Date:</span>	March, June, August, November	
4. Date of last tax sale: <span style="float: right;">Date:</span>	12/20/2021	

**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.

<b>Service</b>	<b>Yes</b>	<b>No</b>
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	\$30,607.49	2021	\$12,073.99	Anticipated Application Year:	\$10,000.00
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2. List the instruments in which idle funds are invested:

NJ Cash Management Fund	

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

<1%

4. Left Blank Intentionally

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

Robert Oliwa, RMA
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6. When was the last time the municipality changed auditors?

2014
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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 Local 252	12/31/2020	Ongoing.
Teamsters Local 97	12/31/2021	Commenced.
Teamsters Local 469 no longer represents our clerical unit	12/31/2021	I plan to meet with individual former members of the union to discuss individual contracts.

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
Seaside Senior Apartments Redevelopment Project	HUD financed age and income restricted housing				Upon satisfaction of agency mortgage not to exceed 50 years
Approximately 50 short-term residential abatements were approved after Sandy	Ordinance 2017-19 eliminated short-term residential abatements	2021 is final year for these abatements.			5
Ocean Club Restaurant	Beachfront restaurant and pool.cabanas			6.5 million land and 7.5 million bldg. runs 0-20-40-60-80-100%	5





**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 through 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	<input type="checkbox"/>			
Sewer Fees	X	Yes		Fees increased in 2018
Water Fees	X	Yes		Fees increased in 2018
Swimming Pool	<input type="checkbox"/>			
Uniform Construction Code	X	Yes		We anticipate raising fees in 2022
Uniform Fire Code	<input type="checkbox"/>			
Land Use Fees	X	Yes		
Parking Fees	X	Yes		Council raised parking in 2021 and plans to increase parking on Ocean Terrace by \$1 per hour
Beach Fees	X	Yes		Council increased pre-season sale price by \$5 and the daily wristband increases \$9 to \$10 in 2022
Insert other local fees below:	<input type="checkbox"/>			
Land Use Escrow fees for in-house staff	<input type="checkbox"/>			
Land Use Escrow fees for independent contractors	X			Staff is collecting escrow fees.

Application Year: CY2022

Municipality: Seaside Heights

County: Ocean

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**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
1	Police – parking enforcement	1	October 1	2	2	10,000
2	Police	12	October 1	25	26	250,000
3	Finance	3	October 1	5	5	30,000
4	Other	5	October 1			80,000

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

Rank Order	Service	Cost Savings	Impact on Services
1	Trash collection	50,000	Minimal – we would collect 1 day per week instead of 2 days
2	Law Enforcement – Class 2 SLEOs	250,000	Substantial
3	Community Center	10,000	Minimal
4	Construction inspection	50,000	Substantial

**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: Anthony E Uy Date: 4/8/2022  
 Chief Financial Officer: Joseph D. Yuccis Date: 4/8/2022  
 Chief Administrative Officer: \_\_\_\_\_ Date: 4/8/2022

**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: \_\_\_\_\_ Date: 4/8/2022  
 Chief Administrative Officer: \_\_\_\_\_ Date: 4/8/2022

**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: Anthony E U Date: 4/8/2022

Chief Financial Officer: Jaime d. Garcia Date: 4/8/22

Chief Administrative Officer: [Signature] Date: 4/8/2022

## 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 *Prior year. No change.*
- 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 *Prior year. No change.*
- 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](mailto: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