

**Transitional Aid Application for Calendar Year 2026
and Fiscal Year 2027**

**Division of Local Government Services
Department of Community Affairs**

General Instructions: This application must be submitted in its entirety by February 27, 2026, for CY 2026 applicants and September 25, 2026, for FY 2027 applicants for funding consideration under this program. Information contained in the application is subject to independent verification by the Division of Local Government Services (DLGS). Refer to Local Finance Notice 2026-03 when preparing this application for specific instructions and definitions and review the Submission Checklist on page 19 of this application.

Name of Municipality:	Borough of Ocean Gate	County:	Ocean
Contact Person:	Frederick C. Ebenau	Title:	CFO
Phone:	732-269-3166	Fax:	732-269-6640
E-mail:	<u>CFO@oceangatenjgov.com</u>		

I. Aid History

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

FY 2026 / CY 2025	FY 2025 / CY 2024	FY 2024 / CY 2023
\$1,150,000.00	\$.00	\$.00

II. Aid Request for Application Year

If not seeking a decrease, a letter from the Mayor is required. See Local Finance Notice 2026-03.

Amount of aid requested for the Application Year:	\$977,500.00
--	---------------------

III. Submission Requirements

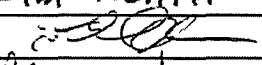
The following items must be submitted with or prior to the submission of this application. Indicate the date of submission of each.

Item	Date Submitted to DLGS
2026 Annual Financial Statement	1/30/2026
2025 Annual Audit	Not Complete
2025 Corrective Action Plan	Not Complete
Application Year Introduced Budget	Not Complete
Budget Documentation Submitted to Governing Body	Not Complete

Application Year: CY2026 / FY2027	Municipality: Ocean Gate	County: Ocean
-----------------------------------	--------------------------	---------------

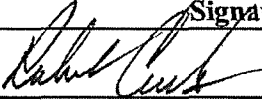
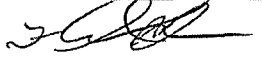
IV. A. Application Certification

The undersigned herewith certify that they have reviewed this application and, individually, believe 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 an aid award is final and not subject to appeal.

Official	Signature	Date
Mayor/Chief Executive Officer		2/26/24
Governing Body Presiding Officer	Jim McGrath *	
Chief Financial Officer		2/26/26
Chief Administrative Officer	Ileana Vazquez-Gallipoli	

B. Transitional Aid Recipients Applying in CY2026 / FY2027

Municipalities operating under a MOU must certify that they are in substantial compliance with all conditions and requirements of the MOU.

Official	Signature	Date
Mayor/Chief Executive Officer Robert Curtin		2/26/26
Governing Body Presiding Officer James McGrath	Jim McGrath *	
Chief Financial Officer Frederick C. Ebenau		2/26/26
Chief Administrative Officer Ileana Vazquez-Gallipoli	Ileana Vazquez-Gallipoli	2/26/26

* ON VACATION, Signature to follow

Application Year: CY2026 / FY2027	Municipality: Ocean Gate	County: Ocean
-----------------------------------	--------------------------	---------------

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 would it jeopardize the fiscal integrity of the municipality?

See Attached

Application Year: CY2026 / FY2027	Municipality: Ocean Gate	County: Ocean
--	---------------------------------	----------------------

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 expenditure increase if the increase resulted from 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	2024 Value	2025 Value	Amount of Loss/Increase
Utility Operating Surplus	\$129,000.00	\$0.00	(\$129,000.00)
Description:			
Police S&W	\$1,359,076.17	\$1,452,385.00	\$92,469.11
Description:			
Employee Group Insurance	\$375,076.17	\$510,721.00	\$135,644.00
Description:			
Reserve for Uncollected Taxes	\$148,151.85	\$296,276.72	\$148,124.87
Description:			
Amount to be Raised by Taxation	\$2,528,020.35	\$2,750,515.04	\$222,494.69
Description:			
USDA Loan	\$0.00	\$103,744.00	\$103,744.00
Description:			
General Liability Insurance	\$100,142.00	\$147,038.00	\$46,896.00
Description:			

Application Year: CY2026 / FY2027	Municipality: Ocean Gate	County: Ocean
-----------------------------------	--------------------------	---------------

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, the impact of new development, the 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:

- 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.

Use additional pages if necessary.

See Attached

See Attached

Application Year: CY2026 / FY2027	Municipality: Ocean Gate	County: Ocean
-----------------------------------	--------------------------	---------------

D. Discussion of Health Benefits

Please provide details on the municipality's current medical, prescription, and other health benefits plans (SHBP, HIF, self-insured, etc.) and all research undertaken to confirm they are the most cost-effective options. Additionally, if applicable, 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 a commission. If commissions are being earned, provide both how the commission is calculated (percentage of premium or self-insurance) and the actual dollar value of the commission paid each year.

See Attached

Application Year: CY2026 / FY2027	Municipality: Ocean Gate	County: Ocean
--	---------------------------------	----------------------

VI. Historical Fiscal Statistics

Item	2024	2025	Introduced Application Year
A. Property Tax/Budget Information			
Municipal tax rate	\$.556	\$.605	\$.652
Municipal Purposes tax levy	\$2,528,020.35	\$2,750,515.04	\$2,987,827.29
Municipal Open Space tax levy	\$0.00	\$0.00	\$0.00
Total general appropriations	\$5,188,070.26	\$4,793,464.59	\$4,916,781.10

B. Cash Status Information			
% Of current taxes collected	98.15%	98.60%	%
% Used in the computation of reserve	98.00%	96.37%	96.90%
Reserve for uncollected taxes	\$148,151.85	\$296,276.72	269,787.65
Total year-end cash surplus	\$119,352.31	\$339,677.21	
Total non-cash surplus	\$20,253.58	\$0.00	
Year-end deferred charges	\$0.00	\$0.00	

C. Assessment Data			
Assessed value (as of January 10)	\$455,027,800	\$458,222,500	\$458,222,500
Average residential assessment	\$209,167	\$413,297	\$415,805
Number of tax appeals granted	0	0	
Amount budgeted for tax appeals	\$0.00	\$0.00	\$0.00
Refunding bonds for tax appeals	\$0.00	\$0.00	\$0.00

D. Staffing Levels			
Total Number of Sworn Police -	13	13	13
Total S&W Expenditures	\$1,401,566.81	\$1,464,917.65	\$1,542,300.00
Class 2 and Class 3 Officers	0	1	1
Total S&W Expenditures	.00	\$32,390.00	\$32,390
Uniformed Fire – Staff Number	0	0	0
Total S&W Expenditures	\$0.00	\$0.00	\$0.00
Number of Other Full-time Employees	7	7	7
Total S&W Expenditures	\$378,719.26	\$390,080.84	\$401,783.27
Number of Other Part-time Employees	14	14	14
Total S&W Expenditures	\$20,329.69	\$14,956.45	\$15,405.14

E. Impact of Proposed Tax Levy

			Amount
Current Year Taxable Value			\$8,702,827.29
Introduced Tax Levy			\$2,987,827.29
Proposed Municipal Tax Rate	.652	Average res. value	\$415,805
Current Year Taxes on average residential value			
Prior Year Taxes on average residential value			\$413,297

Application Year: CY2026 / FY2027	Municipality: Ocean Gate	County: Ocean
Proposed increase in average residential taxes		\$417,000

Application Year: CY2026 / FY2027	Municipality: Ocean Gate	County: Ocean
-----------------------------------	--------------------------	---------------

VII. Application Year Budget Information

A. Year of latest revaluation/reassessment	2023
1. Most current equalized ratio	\$501,611,932

B. Proposed Budget – Appropriation Cap Information

	Yes	No
1. Was an appropriation cap index rate ordinance adopted last year? If YES: % that was used	X	
2. Amount of appropriation cap bank available going into this year	\$5,153.82	
3. Is the Application Year budget at (appropriation) cap? If NO, amount of remaining balance	\$	
4. Does the Application Year anticipate the use of a waiver to exceed the appropriation cap? If YES, the amount:		X
	\$	

C. List the five largest item appropriation increases.

Appropriation	Prior Year Actual	Application Year Proposed	\$ Amount of Increase
Employee Group Health	\$454,760.96	\$610,000.00	\$155,239.04
Police S&W	\$1,523,033.03	\$1,542,300.00	\$19,266.97
Electricity	\$62,251.03	\$65,000.00	\$2,748.97
PFRS	\$415,274.00	\$444,907.43	\$29,633.43
Natural Gas	\$33,032.55	\$40,000.00	\$6,967.45

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

Department/Agency	Position	Number	Dollar Amount
NONE			

Application Year: CY2026 / FY2027	Municipality: Ocean Gate	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.

	Tax Levy	Local Revenues	Transitional Aid	Total S&W	Total OE
First year	\$2,750,515.04	\$225,188.000	\$1,150,000.00	\$1,894,688.00	\$1,665,572.35
Second year	\$2,888,000.00	\$275,000.00	\$977,500.00	\$1,951,529.00	\$1,715,500.00
Third year	\$3,032,450.00	\$280,000.00	\$830,875.00	\$2,010,075.00	\$1,767,000.00

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 the system being used.	X	
6. Does the municipality operate a 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?	X	
If not, be prepared to discuss why not in your application meeting.		

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 Benefits	SHBP	Small Group	X

C. 1. Salary and employee contract information

When more than one bargaining unit for each category, use the average.

Question	Police	Fire	Other Contract	Non-Contract
Year of last salary increase	2026	N/A	N/A	2025
Average total cost percentage increase	3%	N/A%	N/A%	3%
Last contract settlement date	1/23/25	N/A	N/A	
Contract expiration date	12/31/29	N/A	N/A	

Application Year: CY2026 / FY2027	Municipality: Ocean Gate	County: Ocean
-----------------------------------	--------------------------	---------------

2. Explain, if any, actions that have been taken/are under consideration for the Application Year.

Action	Police	Fire	Other Contract	Non-Contract
Furloughs (describe below)	None	None	None	None
Wage Freezes (describe below)	None	None	None	None
Layoffs (describe below)	None	None	None	None

D. Tax Enforcement Practices

Question	Yes	No
1. Did the municipality complete its accelerated tax sale by December 31, if included in the 2026 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.	N/A Reg. Sale	
2. When was the last foreclosure action taken or tax assignment sale held? Date:	unknown	
3. On what dates were tax delinquency notices sent out in 2025? Date:	2/18/25- 12/1/25	
4. Date of last tax sale? Date:	6/26/25	

E. Specialized Service Delivery

If the answer to either question is "Yes," provide (as an appendix) a cost justification for 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:

2024	\$16,138.24	2025	\$14,927.26	Anticipated Application Year:	\$10,000.00
------	-------------	------	-------------	----------------------------------	-------------

2. List the instruments in which idle funds are invested:

Sweep Accounts	

3. What was the average return on investments during 2025?

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

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

1.26%
Suplee, Clooney & Company

Application Year: CY2026 / FY2027	Municipality: Ocean Gate	County: Ocean
-----------------------------------	--------------------------	---------------

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
Local PBA 352	12/31/29	

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	2025 PILOT Billing	2025 Assessed Value	2025 Taxes If Billed in Full at 2024 Total Tax Rate	Term of Tax Abatement
None					

Application Year: CY2026 / FY2027	Municipality: Ocean Gate	County: Ocean
-----------------------------------	--------------------------	---------------

IX. A. List actions that limited Salary and Wage costs.

For example, layoffs, furloughs, freezes, contract concessions, etc.

[illegible]

Application Year: CY2026 / FY2027	Municipality: Ocean Gate	County: Ocean
-----------------------------------	--------------------------	---------------

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 subsidy amount?	If there is a subsidy, explain why fees cannot be increased to reduce or eliminate the subsidy.
Recreation Programs	X	X		
Sewer Fees	X	X		
Water Fees	X	X		
Swimming Pool				
Uniform Construction Code	X	X		
Uniform Fire Code	X	X		
Land Use Fees	X	X		
Parking Fees	X	X		
Beach Fees	X	X		
Insert other local fees below:				
Land Use Escrow Fees for In-House Staff				
Land Use Escrow Fees for Independent Contractors	X	X		

Application Year: CY2026 / FY2027	Municipality: Ocean Gate	County: Ocean
--	---------------------------------	----------------------

X. Service Delivery

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

Type of Service	Name of Contracted Entity	Estimated Amount of Contract	Estimated Savings	Year Last Negotiated (as applicable)
Fuel	Berkeley Township	\$25,000.00	\$10,000.00	2025
Animal Control	Berkeley Township	\$4,500.00	\$4,500.00	2025
Public Works	Berkeley Township	\$500.00	\$500.00	2025

Application Year: CY2026 / FY2027	Municipality: Ocean Gate	County: Ocean
--	---------------------------------	----------------------

XI. Impact of Limited or No Aid Award

Describe (in detail) the impact of not being granted aid for the current fiscal year. Essential service 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 underservice. **For rank order purposes, consider the two sections as one list. The cuts outlined here are ones the municipality will make without a grant of aid.**

Rank Order	Department/ Division	# Of Layoffs	Effective Date	2024 Full-Time Staffing	2025 Full-Time Staffing	\$ Amount to be Saved
1	Police Department	6	7/1/2026	13	13	\$216,650.10
2	Public Works	1	7/1/2026	2	2	\$7,284.16

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

Rank Order	Service	Cost Savings	Impact on Services

Application Year: CY2026 / FY2027	Municipality: Ocean Gate	County: Ocean
-----------------------------------	--------------------------	---------------

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 MOU 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.

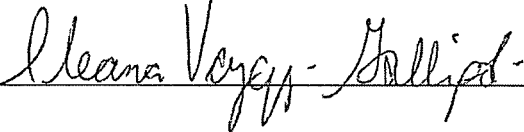
	Yes	No
1. Allow the Director of DLGS to assign management, financial, and operational specialists to assess your municipal operations.	X	
2. Implement actions directed by the Director to address the findings of DLGS staff.	X	
3. Enter into a new MOU and comply with all its provisions without exception.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

XIII. Certification of Past Compliance for Municipalities Currently Operating Under a TA MOU

The undersigned certifies that the municipality is in substantial compliance with the conditions and requirements of the 2025 MOU and is operating in good faith to correct those areas of noncompliance that have been identified.

Mayor:  Date: 2/26/26

Chief Financial Officer:  Date: 2/26/26

Chief Administrative Officer:  Date: 2/26/26

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 listed the names of all current civil service employees in NJ "CAMPS."

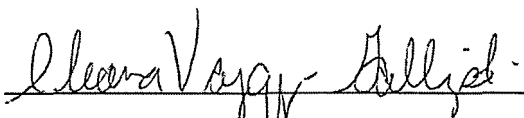
Human Resources or Personnel Director: N/A Date: _____

Chief Administrative Officer: _____ Date: _____

Application Year: CY2026 / FY2027	Municipality: Ocean Gate	County: Ocean
-----------------------------------	--------------------------	---------------

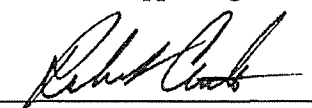
XV. Public Employment Relations Commission (PERC) Certification

The undersigned certifies that copies of all active collective negotiations' agreements and the cost-out of each have been delivered to PERC. Support documentation regarding the method of cost out must also be provided.

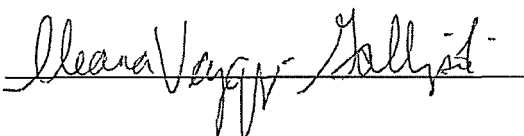
Chief Administrative Officer:  Date: 2/26/26

XV. CERTIFICATION OF APPLICATION FOR TRANSITIONAL AID

The undersigned acknowledges that 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:  Date: 2/26/26

Chief Financial Officer:  Date: 2/26/26

Chief Administrative Officer:  Date: 2/26/26

Application Year: CY2026 / FY2027	Municipality: Ocean Gate	County: Ocean
--	---------------------------------	----------------------

APPENDIX A

Submission Checklist:

- ☐ Signed and certified application.
- ☐ Draft/final introduced budget, Annual Financial Statement (AFS), and supporting budget documentation.
- ☐ Current organization charts showing budgeted positions and titles.
- ☐ Copies of current labor contracts.
- ☐ Copies of salary ordinances/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.
- ☐ 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.
- ☐ 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.
- ☐ For new applicants, a governing body resolution authorizing the application and agreeing to State oversight immediately upon filing the application.
- ☐ For new applicants, in Excel format, separate files for each of the last four years showing the name of each officer and employee of the municipality as of the first payroll period of the calendar year together with their annual salary, title, department, and date of hire.

Submission Instructions:

- E-mail electronic forms to dlgs-ta@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

Application Year: CY2026 / FY2027	Municipality: Ocean Gate	County: Ocean
-----------------------------------	--------------------------	---------------

APPENDIX A

Submission Checklist:

- ☐ Signed and certified application.
- ☐ Draft/final introduced budget, Annual Financial Statement (AFS), and supporting budget documentation.
- ☐ Current organization charts showing budgeted positions and titles.
- ☐ Copies of current labor contracts.
- ☐ Copies of salary ordinances/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.
- ☐ 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.
- ☐ 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.
- ☐ For new applicants, a governing body resolution authorizing the application and agreeing to State oversight immediately upon filing the application.
- ☐ For new applicants, in Excel format, separate files for each of the last four years showing the name of each officer and employee of the municipality as of the first payroll period of the calendar year together with their annual salary, title, department, and date of hire.

Submission Instructions:

- E-mail electronic forms to dlgs-ta@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

2026 V.A. Explanation of Need for Transitional Aid

Below is our submission to this question from 2025. Everything outlined last year is still the appropriate response to this question. It should be noted that points 1, 2, & 3 have been corrected. Sewer rates increased, water meters were installed and first bills sent out and all fees were reviewed and increased where appropriate.

2025 response...

Based on the lack of tax levy increases over a period of ten years (letter to residents attached) we are unable to increase taxes at a rate necessary to cover the Boroughs operating budget. The Borough's considerable surpluses were also depleted during this time period in order to meet budgets without raising taxes as necessary. The Borough is now in the unenviable position of being restrained as far as levying taxes and without any surpluses to help ourselves transition while we raise taxes to their proper level.

We are also suffering from the addition of three other instances of financial mismanagement;

1. Sewer rates had not been changed since 2006
2. Water meters have not been read since before Sandy. We bill 46 million gallons and pump 100 million gallons.
3. Borough construction and administrative fees have not been increased in 20 years or more

The last three years have been tumultuous ones in Ocean Gate. Our Mayor, Paul Kennedy, was arrested and convicted of stealing Borough funds. We have undergone a mandated re-assessment and we have had to substantially raise taxes.

We elected a new Mayor and 4 new Council members in 2023. Because of the corruption, the new governing body replaced all of our professional services (Attorney, Auditor, Engineers, etc.).

The past financial mismanagement has put us in a difficult position for our 2025 budget. We are unable generate enough revenue nor can we meet the appropriation requirements.

Based on all this turmoil we believe Transitional Aid rather than Referendum is the better of the two options to repair our financial situation. We believe this will allow us to gradually (2-3 years) achieve our financial goals with less shock to our residents who to some extents have been experiencing a form of PTSD after the arrest of Mayor Kennedy and the subsequent realization of the Boroughs financial position.

V. C. Actions to Reduce Future Need for Aid

Brief summary of our first application in 2025.

As outlined last year, our need to apply for Transitional Aid is due to a 10-year short-sighted use of surplus funds to balance our budget. The previous governing bodies, led by our corrupt and indited Mayor, used all of the available Borough surpluses and reserves (\$7,000,000) in lieu of the appropriate tax increases necessary to operate the Borough.

Ocean Gate is a strictly residential community. We contain approximately 1,100 private homes and 8 small retail businesses. We have very few building plots of land left for residential development and no tracts for industry, commercial or multi-family dwellings.

In an attempt to reach the tax levy level that should have occurred over that 10-year period, the governing body has raised taxes, within statutory restraints, in 2023, 2024 and 2025. We will again raise taxes in 2026.

Specific steps:

Personnel

We operate the Borough with a very small full-time staff (4 office, 2.5 Public Works). Most of the office staff perform multiple roles and are cross trained where appropriate.

We employ part-time personnel for CFO, Tax Assessor, Tax Collector, Construction Official and Court Clerk and various other seasonal beach employees.

We have no plans to create any new positions and will just replace departing employees as needed. We may eliminate 1 position based on a prospective shared service agreement.

The Ocean Gate Elementary school will be closing in June of 2026. The Borough stations a n SRO in the school and splits the cost with the school. The loss of the need for this position will allow us to use this officer on patrol to replace a departing Patrolman. We also have a highly compensated officer retiring in late 2026 and he will be replaced by a much lower compensated officer.

We also have accumulated substantial monies in our Federal and County forfeiture fund accounts. We have 23 cases currently being processed that will be generating additional forfeiture funds. The use of these funds has restrictions (no Payroll) but will be available to purchase patrol cars, equipment, etc. and reduce the strain on the police budget.

Shared Service and Consolidation Initiatives.

We currently have shared services with Berkeley for Animal Control and Fuel.

We are in the process of finalizing a shared service with the Berkeley Sewer MUA. They will provide cleaning and inspection as well as emergency services. This will eliminate the need for expensive outside contractors.

The Mayor has initiated meetings with 3 neighboring municipalities, Beachwood, Pine Beach and South Toms River in regards to Shared Services.

The first initiative is the creation of a shared Construction and Code Enforcement department. The other 3 towns either use Berkeley or Toms River and are unhappy with the cost and service. Ocean Gate has a full time TACO and part time officials. We collected approximately \$55,000 in fees and our payroll alone was approximately \$115,000. This department should be breakeven at worst. All 4 towns are in agreement to move forward with initiative and Beachwood will house and manage the department. Eileen Brennan, Mike Grossman and Jack Layne from the DCA are involved in putting this together.

Other subjects addressed in earnest at our first meeting were our court systems, and employee medical costs.

Our 5-year trash hauling contract with Meadowbrook is up at the end of this year, both Pine Beach and Beachwood have expressed interest in providing this as well. We also discovered that the current contract with Meadowbrook included trash pick up at the Ocean Gate school and various commercial businesses. This will be eliminated in the new agreement.

Our contract with the Ocean County JIF-MEL ended in 2025. Rather than let our policies automatically renew as in the past, we shopped our business to other organizations. As a result, were able to stay with the OC JIF-MEL but at a lower cost. Our premium for 2026 would have increased to \$232,710 but we were able to negotiate a reduction of 2.71% instead of an increase of 5.6%. We also changed some of our deductibles based on an examination of our claims over 10 years. The result was a total savings of \$42,034 or 18%.

We also have entered into an energy efficiency initiative with TRC and JCPL. We have met twice with TRC and our engineering firm Collier, who works closely with TRC, will take the point in identifying grant opportunities available through JCP&L.

Fees, Fines, Penalties

As part of the Ordinance codification process in 2025 all of our fees were reviewed, increased where appropriate and consolidated into 1 Fee Ordinance. We will now review all fees each year and are currently in the process of doing that again now.

In February, we sent out our first water bills based on reading our newly installed meters. We have not read a water meter since hurricane Sandy so this will add much needed additional revenue to our water department. We have also decided to automatically raise our sewer rates every other year based on the increased cost to the Borough from the Ocean County Sewer Authority. Our new bills are a combined water and sewer postcard which will save us on printing and stationery since they used to be separate and stuffed into envelopes.

Grants

We have been able to secure \$5,890,000 in various grants and forgivable loans in the past 3 years.

New

In 2025 we received another \$2,000,000 forgivable loan from the IBank to clean and rehab our water tank and replace and upgrade our 40-year-old filtration system in our pump house.

We received a NJDOT grant for \$234,000 to replace the outflow pipes and storm drains on one of our streets because of the flooding that occurs due to the damaged outflow pipe.

We have applied for a \$70,000 LRIG grant to add public bathrooms to Mease Park. We received \$90,000 last year and this additional money along with a CDBG grant will allow us to complete the improvements to the park.

Other

On January 22nd, we were interviewed by Moody's regarding the state of the Borough. As a result of the interview, we retained our A2 rating. We also were very happy with the press release they issued when issuing the rating. This indicates that they recognize the efforts of the Borough and insures us favorable interest rates if we need to issue debt. We have attached a copy of the press release issued on February 5th.

In summary, we will continue to operate on a bare bones budget. We continue to;

- Pursue grant opportunities
- Establish Shared Services agreements
- Renegotiate contracts
- Review our Fees and Penalties
- Reasonably increase taxes to proper levels
- Communicate effectively to our residents (copies of Resident letters attached)
- Work closely with our state monitor, Jack Layne, as well as other experts from the DCA

The Transitional Aid we are requesting is necessary to let all of these measures take effect and help us emerge from our current financial situation.

V. D. Discussion of Health Benefits

As outlined in our 2025 application, we moved to the SHBP 20/35 plan last year. We also added the Difference Card. We estimated a savings of \$79,000, but were able to actually save about \$90,000 over our 2024 cost.

In September 2025 we were quoted an increase of 58% or \$308,361 for our SHBP policy. Our total cost for 17 employees would have been \$792,578! Because of our PBA contract, we needed to make sure any change was equal to or better than the current coverage. We were left with very little time to find an alternative. We were successful in interviewing a new company, Marsh McLennon, who was able to move us into the small group private market. United Healthcare is our new insurer and we retained the Difference Card as well. We left the SHBP as of December 31, 2025.

We still experienced an increase, but a more manageable one. The 2025 total costs (SHBP & Difference Card) were estimated in October to be \$483,000. Our total costs for 2026 are now estimated to be \$580,847. This is still a large increase but it is \$211,731 less than if we stayed with the SHBP 20/35 plan.

We have also initiated talks with Berkeley, Pine Beach, Beachwood and South Toms River regarding a joint venture in regards to our employee medical expenses.

Municipal Update

December 2025

Dear Ocean Gate Residents,

As 2025 draws to a close, I want to take this time to update you on what's been happening in town since our last update letter in May.

PUBLIC SAFETY:

Council President Jim McGrath, 2025 Chairperson

Brandon Waters, one of our Patrolman (and Ocean Gate resident) continues his EMR training of our Police Officers, Fireman and CERT team. This is an invaluable addition to the capabilities of our protective services, especially since the dissolving of our volunteer EMS service. To date our emergency services departments, have 12 qualified EMR technicians and more continue to be trained.

The Ocean Gate Fire Company has elected new leadership. Chief Larry Murray will be stepping down after 13 years as Chief and 50 total years in the department. Chief Murray has been invaluable as the leader of this extremely important public safety service. Thank you, Chief Murray for your years of service!! Lieutenant Eric Batykiefer will be sworn in as the new Chief at our re-organizational meeting on January 1st.

The Borough continues to invest in our Fire Department. We just invested \$62,000 in new, battery-operated extrication tools (jaws of life & metal cutting tools) to replace our outdated equipment. We have also invested in a 1 man monitor system to spray a continuous stream of water to a separate part of a fire or to prevent the spread to neighboring houses. Our department continues to train at the County training facility, with neighboring communities as well as in town.

The CERT (civilian emergency response team) program continues to be a huge success with 12 fully trained individuals (1 EMR certified). The CERT team expands our police department's ability to keep our residents safe. If you are interested in joining the team, you can go to www.Ready.gov/cert to learn more about the program or contact Chief Mike Kuchta in the municipal building.

The Borough has just passed a new Ordinance dealing with Electric Bikes and Scooters. It is a comprehensive Ordinance and due to the proliferation of electric vehicles, it will be strictly enforced. You can view the new Ordinance at our website; www.oceangatenjgov.com, Government, Ordinances. It will eventually be added to our online code book.

FINANCE:

Councilman Jim Fry, 2025 Chairperson

We have started the 2026 Budget process which is due to the state at the end of March. We will again be applying for Transitional Aid for 2026. We sent out a specific letter regarding the town finances earlier this year so I will not go into detail for the necessity of the State Aid. The \$1,150,000 we received in 2025 was instrumental in helping us raise taxes at a reasonable rate (4.89% in 2025) while we continue to grow towards self-reliance and rebuild a surplus. We are not sure what the 2026 program will look like since there is a new administration in Trenton. We heard rumors before the election that the amount of state funding available will be about 15% less.

The oversight of the state DLGS (Dept. of Local Government Services) has been extremely helpful, connecting us to their experts in categories like Utilities and Public Works. They have also alerted us to grant opportunities that we are pursuing.

MUNICIPAL BUILDINGS & ASSETS:

Councilwoman Joella Nicastro 2025 Chairperson

Many necessary updates to Adrian Hall have been made this year. We have also updated the rental agreement to be more flexible for different types of rentals.

The committee will continue to work on a comprehensive plan in 2026 that addresses the long-term plans and ongoing maintenance of our buildings and grounds.

PUBLIC UTILITIES:

Councilman Russell Ernst, 2025 Chairperson

We are nearing the completion of our new water meter installations with less than 75 to install. These are either unusual, time consuming installations or noncompliance. The noncompliance accounts are being charged a severe penalty.

Our first bills based on the reading of the new meters will have gone out by the mailing of this letter so results of the first 2 readings will be addressed in the May 2026 letter. Since this is our first reading, we are bound to encounter some problems and mistakes. Should you suspect a problem, please be patient with our staff since this is new to them as well.

We are moving along on the water tower and filtration project. The financing through the I-BANK and our Bond Council is in place. The first step is to move the cell arrays from the tower to a temporary tower which will be located in the police impound yard next to the tower. This will start shortly and is the responsibility of the carriers to move and fund. The total project will be put out to bid in February and awarded by May. Since the summer is not the time to close the tower, we will start the tower work in October of 2026. We will be obtaining and paying for our water for 3 months from Aqua, which is our back up water supplier. The filtration system has a long (6 months to a year) order lead time so that schedule will be developed once the equipment is ordered after the bid award. Again, this whole project and the water meters have been fully funded by the two \$2,000,000 forgivable (we don't have to pay them back) loans we have been awarded by the I-BANK.

We are entering into a shared services agreement with the BTSA (Berkeley Sewer Authority) to help us maintain and inspect via camera, our sewer system. This idea was generated out of discussions with the utility expert from the DLGS. We are applying for a LEAP grant that will cover the cost of the shared service.

HEALTH, WELFARE & ENVIRONMENT:

Councilman Rick Zieser, 2025 Chairperson

We have updated our Boats and Boating ordinance. One of the changes we have made is the removal date of the moorings. We have moved the date back from Oct 1st to November 15 of each year.

Our 5-year carting contract with Meadowbrook Industries is ending at the end of 2026. We will be going out to bid for the next 5-year contract sometime in the spring. We will be exploring all options available including Robo cans.

PARKS & RECREATION:

Councilman Mark Haug, 2025 Chairperson

Beach Badges and Parking stickers will remain the same price in 2026. New pricing goes into effect every 3 years with the next change in 2027.

The car show returned to the Borough this year, sponsored by the Sentimental Cruisers Car Club. It was a huge success, with over 150 Cars participating. The Sentimental Cruisers donated \$500 from their proceeds to the Ocean Gate Veteran's association and many of the Borough's clubs also had a terrific fundraising day!

The Kris Kringle market was a huge success in its 2nd year! We had 12 vendors and clubs (7 last year) and a huge turnout for Santa and the Grinch on a chilly day!!

MAYOR:

Bob Curtin

Ordinance Codification – We have completed the codification of our Ordinances and they are now available online at our website, www.oceangatenjgov.com. Simply go to our webpage, click the Government tab and click Ordinances in the drop-down window. Click on the Ocean Gate Code button to go to the Table of Contents. You can also search by key word if you're not sure which Ordinance is applicable to your question. This was a HUGE accomplishment that took over a year. We reviewed all Ordinances, made 119 changes, totally updated 9 Ordinances, eliminated 3 Ordinances and identified Ordinances that will shortly need a second look. We also separated all of the Borough's fees into a separate ordinance so it is easier to search for fees and easier for the Borough to keep them up to date with a yearly review.

Insurance – Because of the dramatic increase in the proposed 2026 Borough insurance costs, a major review was undertaken for all the Borough insurance needs. We were able to reduce our property, casualty and workers compensation costs by 18% (\$42, 034.00), and still remain with the Ocean County JIF-MEL.

Our major challenge was the proposed increase to our employee medical benefits costs. In 2025 we got creative with our approach to our medical benefits by adding a form of self-insurance. We projected a savings of \$72,000 but it will actually be closer to \$90,000. When we received our new proposal from the state for 2026, they were increasing our premium by 52% or \$297,000!! After much research, we made the decision to leave the state benefits program (SHBP) and go into the private insurance market. We were able obtain excellent insurance while shaving \$211,000 off the increase from the state. Still an increase but reasonable considering today's health insurance market.

Roads - We were able to work with the County as well as obtain DOT grants to re-mill and repave many of our streets. All of Lakewood, E. Long Branch, E. Pt. Pleasant, parts of Stone Harbor were done this year. All of Red Bank (plus curbs), parts of Monmouth and the balance of Stone Harbor will be re-paved in 2026.

Stone Harbor will also have new outflow pipes and new storm drains from E. Lakewood to the boardwalk. This should eliminate the ponding on Stone Harbor with storm/high tide events.

Grants – We recently were awarded a \$235,000 Grant for the work to be done on Stone Harbor ave. We are also applying for another LRIG grant (Local Recreational Improvement Grant) for the updates to Mease Park. To date we have received \$160,000 in 2 LRIG grants. **In fact, in the last three years, the Borough has obtained \$5,890,000 in grants and forgivable loans!**

We were recently honored at the New Jersey League of Municipalities convention. Our repaving of the Bike Path and the addition of the Exercise Equipment won a statewide award as one of the best recreational projects for 2025. The posterboard from the award ceremony is in the lobby of the municipal building.

Municipal Building upgrades – Our council room sound and recording system was recently replaced. The system was 20 years old and failing. Of particular concern was the recording reliability for court and council sessions. Microphone reliability was also sketchy. The new system was 50% paid for by a Comcast grant. Improved microphone performance and addition of 11 new speakers have greatly improved the sound volume in the council room and for the sound when streaming our meetings.

We are also updating the sign in front of the Municipal Building. The sign has been falling apart for years and a stiff breeze causes some unusual messages when a few letters fall down! This is an important method of communication to our residents so we are excited about our ability to do so with the new digital sign.

Jeffries Creek – The condition of Jeffries Creek is being addressed by Ocean County under the direction of the Barnegat Bay Partnership. The BBP has a significant sum of money from the county to dredge the Creek from the culvert under E. Chelsea avenue to the Toms River. This will significantly impact the flow of water in and out of the pond. We will be participating in the next phase during a conference call on 12/23/25.

Document Digitizing – A major goal in 2026 is to organize and shred documents in our archives that have been accumulating for years. Many documents need to be permanently retained but many are only necessary to be kept for a specific period of time. We will develop a plan to digitize all our documents so they are safe and as important, easily searchable. OPRA (Open Public Records Act) requests are extremely time consuming, especially for a small municipality like ours with few employees.

In 2026, we are reducing our Council Workshop meetings to quarterly. We continue to have our regular Council Meetings the 4th Wednesdays of each month. Our workshop and regular Council meeting schedule for 2026 are listed on our website.

Follow the Borough on its' Facebook page, Borough of Ocean Gate Municipal page or at our website; www.oceangatenjgov.com.

Bob Curtin
Mayor

Jim McGrath
Council President

Jim Fry
Councilman

Joella Nicastro
Councilwoman

Mark Haug
Councilman

Russell Ernst
Councilman

Rick Zieser
Councilman

SPECIAL EXCESS SCHOOL TAX REFERENDUM ELECTION

JANUARY 27, 2026

The Ocean Gate School Board is asking for a 27% increase (\$700,000) in the 2026-2027 school Budget and is holding a referendum election on January 27, 2026 for approval.

We are alerting our residents of this special referendum since there is no required notice to residents by the School Board or County other than the standard newspaper announcement.

You must be registered to vote in Ocean Gate to cast a ballot on January 27th

If you normally vote by mail, you will receive a Ballott in early January.

This will be trimmed down and printed on bright colored paper as an insert with the letter

Municipal Update

Dear Ocean Gate Residents,

May 2025

As you can imagine, we are very busy preparing for the summer season and all the activities we have planned. As in the past, this update is divided into the six standing Council committee's as well as the Mayor/Business Administrator. Also enclosed is the **2025 Events Schedule** and an **Overview of our Borough Police Department**

PUBLIC SAFETY:

Council President McGrath, 2025 Chairperson

Our 4 seasonal Bike Officers have been hired and are currently in training at the police academy.

Two of our police officers have received training as HLEO (Humane Law Enforcement Officers). We have a shared service with Berkeley Township for Animal Control services but this will allow our police force to now make impoundment decisions in cases of abuse or a dog attack. We have also updated our Animal Ordinance to include stricter vicious dog language and procedures.

Our Police Department generates income into two forfeiture accounts. The income generated comes from being included in law enforcement efforts, whether in Ocean Gate or part of a task force, that confiscates cars, guns, money etc. from criminal arrests. These efforts can generate significant sums. The money generated has some use restrictions but it covers most of the department costs other than payroll. This is extremely helpful budgeting for the department.

We have included a separate insert with this mailing outlining our Borough Police department. We are very proud of our Police services to the community and think it important for all residents to understand the extent of their efforts in our community.

In order to prepare for an emergency, the Mayor, Council President McGrath, OEM committee, Police and Fire departments and our new CERT certified residents will stage a drill simulating a major incident in the Borough. There are at least two events each year, 4th of July and Ocean Gate Day, where there are significant numbers of people in crowds in the Borough. The drill is to make sure the command structure and all responsibilities are understood, all radios are able to communicate with all appropriate local, county and state agencies and all necessary equipment is in good working order and readily accessible. There are many moving parts in an emergency and we want to prepare as best we can.

Municipal Alliance – The Municipal Alliance will be chaired by Council President McGrath and coordinator Detective Rich Zonin. They have many events scheduled this year with the most exciting new event being a BMX bike show scheduled June 17 by Mease EMS Park.

FINANCE

Councilman Jim Fry, 2025 Chairperson

We are still working on our 2025 Municipal budget. As outlined in a special mailing last fall, the Borough continues to struggle based on the past administration's poor fiscal management and the budget restrictions of the State. We are reviewing options and will address the current financial situation in a separate letter as we did last year. We believe we have a good plan and are in the process of putting the pieces together.

We have been told that Ocean Gate School and Central Regional 2025-2026 budgets have been submitted to the state and both contain an increase. We have not heard from the County regarding their 2025 Budget.

Water meters – We are making great progress with the installation of our water meters. We still have 55 homes that have not contacted us for installation. These homes have already received two (2) fines and eventually a lien will be placed on the house. If you have contacted us but it has not been installed, you are not receiving fines. We made our first remote reading of the meters and 100% of the meters responded. Your first water bill based on your meter reading will be October 1st.

PUBLIC UTILITIES

Councilman Russ Ernst, 2025 Chairperson

We held the kick-off meeting with our Engineering firm, Collier Engineering, for the refurbishing of the inside and outside of the water tower. We are also upgrading to a new water filtration system as well as some other improvements. The project is being funded by a \$2,000,000 loan from the Infrastructure Bank of New Jersey. We used approximately \$700,000 of the loan for the new water meters and the balance is being put towards the water tower. The loan is a Principal Forgiveness loan which means it can be used for all costs and is 100% forgiven (FREE). The project will take about a year and we will obtain our Boroughs' water supply from Aqua when the time comes to shut down the tower. Aqua is the Boroughs back up water supplier and we are already connected to the Aqua system. Your water pressure or bills will not be affected.

We are upgrading the emergency warning system at our sewer pumping station located at Anglesea and E. Lakewood. Our Water/Sewer Operator has recommended that we have our sewer system cleaned out and TV inspected on a scheduled basis. We are in the process of obtaining quotes for both Wet Well and Jet cleaning of lines.

BUILDINGS AND ASSETS

Joella Nicastro, 2025 Chairperson

The replacement of the western end of the boardwalk is underway. The funding for the work had to be found since it is a VERY expensive replacement and not just a repair. It is an extensive project since it has to be rebuilt from the pilings up. The gas and water lines under the boardwalk have been marked out and the area has been surveyed. The bid package has been prepared and is ready to go out.

There have been many fixes and improvements made to Adrian Hall. A big thank you to the Garden Club, Social Club and Historical Society who all chipped in and purchased new melamine dinnerware and flatware for the Hall.

RECREATION

Mark Haug, 2025 Chairperson

We have added a band this year for the Saturday of Memorial Day weekend! Since this is the traditional kickoff to summer weekend, we thought it would be fun to add some entertainment!!

We have two movies again this summer, and yes, one of them will be at the Anglesea Pier! We have also scheduled a movie for Oct 5th, which is the night of the Bonfire. We will be showing " Nightmare Before Christmas"

Don't forget that we are **bringing back the Car show again this fall!** It is scheduled for October 18th, at Mease EMS Park. The Fire Department will also have a beer tent and bands starting at 2:00. More details will follow.

HEALTH, WELFARE and the Environment

Rick Zieser, 2025 Chairperson

As mentioned above, the Council has updated the Vicious Dogs section of the Borough Animal Ordinance in order to give the police the ability to deal with dangerous animals in the Borough as well as any incidents that occur. We have had a few incidents and we needed to address the issue more thoroughly.

Councilman Zieser is working on a plan to establish "Parking" areas along the beach for Kayaks, Canoes, Hobie Cats, etc. The parking areas will contain posts with eyebolts for securing the watercraft.

When placing your moorings, please take into account the swing radius of the boat when moored. Boats that "swing" into no parking areas will be ticketed.

MAYOR

Bob Curtin

In the December 2024 Municipal Update, we indicated that we would be introducing a new organizational chart of responsibilities. As stated, the Borough needs to be managed and administered by professional employees who span the election cycle of Mayors and Council people. Consistency and institutional knowledge of the day-to-day management of the town must reside with the municipal staff.

As of April 28th, we have promoted Ileana Vazquez-Gallipoli to assume the duties of Business Administrator. Ileana has worked for the Borough for 22 years in multiple positions and is uniquely qualified to assume this roll. She will still retain her position of Municipal Clerk and add the Administrator responsibilities. We have promoted Emily Lord to Deputy Municipal Clerk. She will increase her hours to 40, and assume many of Ileana's Clerk and Registrar duties. Emily has also started classes to obtain her Municipal Clerk certification. We are fortunate to have such highly competent individuals as part of our team and they will continue to do an outstanding job for the Borough.

Since January 1, 2023, the Borough has received a little over \$4,000,000 in Grants and Forgivable (free) loans. Almost everything being improved or added in the Borough is as a result of these monies.

NEW 2025 LRIG \$90,000 grant – This is a recreational improvement grant we received as part of the funding for the planned improvements to the Mease EMS Park. The improvements include a large cement pad for the portable County stage, chairs and tables, electric service, and public bathrooms in the old EMS station house. These improvements will allow us to hold our Borough events in the park while still maintaining the park as open space.

NEW 2025 \$40,000 CDBG grant - This grant will be used for ADA improvements to the EMS Park as well.

Credit Card Acceptance – By July, we will be able to accept credit cards for payments. Residents can currently pay their tax, water and sewer bills by credit card online but not in person. In July you will be able to pay for any financial transaction with the Borough in person at the Municipal Building. We will also be adding an ATM machine in the Municipal Building and at the Wildwood Pier comfort station.

The exercise equipment for the bike path was shipped the week of April 21st and is probably starting to be installed as you read this letter. We have installed cameras along the path to monitor the exercise pads as well as the playground, basketball courts and Pickleball/Tennis courts.

Ordinance Codification – We have completed the most time-consuming portion of the codification process. The Codification committee has reviewed ALL of the Borough ordinances. We made 119 changes, both large and small, completely updated 9 ordinances and eliminated 5 unnecessary ordinances. We submitted our portion of the process on April 15th. The next step is for General Code to make all the updates and changes and send us the final draft. Once this draft is reviewed, it will be placed on the agenda for approval. Once approved you will be able to visit our website and always have the most up to date version of our ordinances at your fingertips. This was a HUGE undertaking but all ordinances (some dated to 1940!) are consolidated and up to date.

Stone Harbor – Two blocks of Stone Harbor will shortly be re-milled and re-paved.

County Road improvements – The County has several roads in the Borough scheduled for improvement. Since the county schedules change, we will not list specific roads or times in this letter.

Anglesea/Newport/Naragansette road improvement – The surveying for this project will begin this month. The scope of the project is being modified. We are applying for funding from the IBank Clean Water fund to install a pump station and closed loop storm drain system. A similar system was installed by the County on Long Beach Island. This system has made a huge difference to the local flooding in the area addressed.

School Regionalization Study – The school Regionalization study initiated by the Ocean Gate School and Central Regional will be delivered in June. Please look out for any announcements from the school board regarding the presentation of findings.

Soliciting and Peddling – As part of the codification, we reviewed our Peddling and Solicitation Ordinance. We are not legally able to totally prohibit soliciting by contractors. We are going to be instituting a “No Knock” Ordinance. Vendors must obtain a permit and will be handed a list of opt-out addresses. The Borough will provide residents who decide to opt-out, a “No Knock” sign to display by the front door. Please contact the Borough if this is violated. Please ask to see the permit should someone come to your door. Religious groups, veterans and politicians are not subject to the ordinance.

As he did last year, the Mayor will be in front of the Post Office to meet with residents, on;

June 7th July 12th Aug 9th from 9:00 – 11:00.

Our Council Meetings are the 2nd and 4th Wednesdays of the month, @ 7:00. Please join us in person or watch via livestream broadcast on our website, www.oceangatenjgov.com.

Follow the Borough on its’ **Facebook Page, Borough of Ocean Gate Municipal Page**

Bob Curtin
Mayor

Jim McGrath
Council President

Jim Fry
Councilman

Joella Nicastro
Councilwomen

Jim Fry
Councilman

Russell Ernst
Councilman

Rick Zieser
Councilman

Message to our residents regarding your 2025 tax bill and Borough Finances

Last year, about this same time, I sent out a letter to all residents regarding the Boroughs' finances and the 2024 tax bill. I explained that years of the Mayor and Council using the Boroughs surplus (savings) and one-time receipts to balance the budget put the Borough in a difficult financial position. Between 2014 and 2022 alone, the Mayor with the approval of the Council, used \$7,457,312 of our surplus (savings) to cover anywhere from 20.08% to a high of 27.07% of the towns' expenditures. During 5 years of that time period, taxes were only raised 1% or less. The other years, except one because of Sandy, they were raised only slightly more.

While not raising taxes sounds great and is a political winner, spending your savings to do so isn't. It is the height of fiscal mismanagement.

This has left us with 2 major problems;

First: We have no surplus left. The 20-27% that was covered by our savings now has to come from taxes and increased fees.

Second: The Borough is limited by the Levy CAP statute. The statute limits how much taxes can be raised each year (2% plus allowable exceptions). Unfortunately, the starting point to rectify the situation is 10 years ago.

Why am I bringing this up again?

In 2024, we were close to not balancing our budget. We raised taxes the maximum we could, used some surplus and just squeaked under the Levy CAP. We knew that we were in for a challenge in 2025. We evaluated every area we could for savings, particularly the major expenditures.

1. We changed our employee medical plan that is estimated to save from \$70,000 - \$80,000 while still providing the same benefits. We are also putting money in an HSA type account for the Borough to help level future costs.
2. Renegotiated our PBA contract for the next 5 years
3. Removed all fees from individual Ordinances and created separate Fee Ordinances that can be reviewed more easily.
4. Raised fees where necessary. Most have not been changed since 2005 and 2011!
5. Raised our sewer rate by \$15.00/quarter. Our costs from Ocean County go up 1.5-2% each year but the Borough hadn't raised sewer rate since 2006!
6. Applied and received \$2,000,000 from the Infrastructure Bank of New Jersey to install new water meters so we can finally charge for excess use. We are also rehabbing our water tower and filtration system with this money. The \$2 million is a loan that does not have to be repaid (free).
7. Entered into shared service agreements with neighboring towns where possible
8. Presented a proposal to a neighboring town to provide their police services.
9. Many smaller changes to where savings / efficiencies could be found.

After all these efforts, we still have a gap of approximately \$1,000, 000 between revenue and expenses. Problem one listed above, means we don't have even a little surplus to help us bridge the gap until we are at the tax level we should be.

We had only two choices, a referendum or apply for Transitional Aid from the State.

We chose to apply for Transitional Aid. Transitional Aid is financial aid to municipalities that have a budget gap that cannot be fixed without a referendum for tax increases in excess of the states' Tax Levy CAP allowance. If awarded, it requires state oversight by the Department of Local Government Services.

We were approved and were awarded \$1,150,000 in Aid. The combination of Transitional Aid and reasonable tax increases will allow the Borough to improve our financial position while managing the tax burden on our residents. We will be applying for Transitional Aid for at least 3 years.

We met with the Division of Local Government Services on July 7th to begin the process. The meeting was very positive and one of our monitors told us that our application was the best written and documented application he has ever reviewed. We have already done or are in the process of addressing, almost every area they reviewed. The State oversight has begun but shouldn't be a burden since we have already instituted the fiscally sound procedures they require.

The addition of Transitional Aid means we need to amend the 2025 Budget as originally submitted. The amended budget and the public hearing will be on the agenda at the July 23rd Council meeting.

2025 TAX BREAKDOWN

	2025	2024
Municipal	+4.89 %	+6.53%
County	+ 4.06	+17.63%*
OG School	+11.7%	+6.12%
Central Regional	+11.2%	-.57%

*Our portion of the County burden increased because of the reassessment

Please remember, only about 33% of your property tax bill is the Borough tax. The other 67% we only collect for the schools and County.

If you have any questions or concerns, please come to our Council meetings or stop into the Municipal Building. I am there most days from 9:00 – 1:00 or by appointment.



Bob Curtin
Mayor

in central eastern New Jersey, approximately 40 miles northeast of Atlantic City. It is home to approximately 1,770 residents.

METHODOLOGY

The principal methodology used in these ratings was US Cities and Counties published in December 2025 and available at <https://ratings.moodys.com/rmc-documents/455983>. Alternatively, please see the Rating Methodologies page on <https://ratings.moodys.com> for a copy of this methodology.

REGULATORY DISCLOSURES

For further specification of Moody's key rating assumptions and sensitivity analysis, see the sections Methodology Assumptions and Sensitivity to Assumptions in the disclosure form. Moody's Rating Symbols and Definitions can be found on <https://ratings.moodys.com/rating-definitions>.

For any affected securities or rated entities receiving direct credit support/credit substitution from another entity or entities subject to a credit rating action (the supporting entity), and whose ratings may change as a result of a credit rating action as to the supporting entity, the associated regulatory disclosures will relate to the supporting entity. Exceptions to this approach may be applicable in certain jurisdictions.

For ratings issued on a program, series, category/class of debt or security, certain regulatory disclosures applicable to each rating of a subsequently issued bond or note of the same series, category/class of debt, or security, or pursuant to a program for which the ratings are derived exclusively from existing ratings, in accordance with Moody's rating practices, can be found in the most recent Credit Rating Announcement related to the same class of Credit Rating.

For provisional ratings, the Credit Rating Announcement provides certain regulatory disclosures in relation to the provisional rating assigned, and in relation to a definitive rating that may be assigned subsequent to the final issuance of the debt, in each case where the transaction structure and terms have not changed prior to the assignment of the definitive rating in a manner that would have affected the rating.

Moody's does not always publish a separate Credit Rating Announcement for each Credit Rating assigned in the Anticipated Ratings Process or Subsequent Ratings Process.

Regulatory disclosures contained in this press release apply to the credit rating and, if applicable, the related rating outlook or rating review.

Please see <https://ratings.moodys.com> for any updates on changes to the lead rating analyst and to the Moody's legal entity that has issued the rating.

Please see the issuer/deal page on <https://ratings.moodys.com> for additional regulatory disclosures for each credit rating.

Ahteshamul Hoque
Lead Analyst

Orlie Prince
Additional Contact

Releasing Office,
Moody's Investors Service, Inc.
250 Greenwich Street
New York, NY 10007
U.S.A
JOURNALISTS: 1 212 553 0376
Client Service: 1 212 553 1653

MOODY'S

RATINGS

Rating Action: Moody's Ratings affirms Ocean Gate, NJ's A2 issuer and GO ratings

05 Feb 2026

New York, February 05, 2026 -- Moody's Ratings (Moody's) has affirmed the Borough of Ocean Gate, NJ's A2 issuer and general obligation unlimited tax (GOULT) ratings. As of year-end 2024, the borough had approximately \$5.6 million in debt outstanding.

RATINGS RATIONALE

The A2 issuer rating reflects the borough's limited but stable local economy, favorably located along the Jersey Shore, nominally small reserves, a recently weakened but improving financial position, and manageable leverage. Ocean Gate's fully built-out tax base has grown at a strong 11% compound annual rate over the past six years. Full value per capita is very strong at \$263,000, while resident income is comparatively weaker at 85% of the national median, reflecting the prevalence of vacation homes and seasonal tourism alongside less affluent year-round residents.

Financial flexibility weakened sharply in fiscal 2024, with available fund balance and net cash declining to 9.7% and 16% of revenue, respectively, following years of stagnant tax levy growth, reliance on reserves and utility funds, and poor governance under the prior administration. A new administration in 2023 enacted sizable tax increases; however, the borough required transitional state aid in 2025 to stabilize operations. Unaudited fiscal 2025 results show improvement, with adjusted available fund balance rising to 14.6% of revenue (\$929,000). Continued transitional aid in fiscal 2026 and 2027 is expected to support further stabilization and reserve rebuilding. Leverage is manageable and expected to remain so; long-term liabilities represents 276% of revenue. In spite of the weaker financial position, the borough's strong tax base and the administration's efforts to stabilize operations continue to support the rating.

The absence of distinction between the issuer and GOULT ratings reflects the borough's general obligation full faith and credit pledge as well as an unlimited property tax that is payable to debt service.

RATING OUTLOOK

We do not assign outlooks to local government issuers with this amount of debt outstanding.

FACTORS THAT COULD LEAD TO AN UPGRADE OF THE RATINGS

- Improvement in resident income closer to the median for NJ A1-rated cities
- Material increase in reserves to 25% of revenue or higher

FACTORS THAT COULD LEAD TO A DOWNGRADE OF THE RATINGS

- Material contraction of the local economy
- Inability to increase reserve levels
- Material increase in leverage to 350% or higher

PROFILE

The Borough of Ocean Gate is located at the mouth of the Toms River near the Atlantic coast in Ocean County.