

**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:	South Brunswick Township	County:	Middlesex
Contact Person:	Samantha Rampacek	Title:	CFO
Phone:	732-329-4000 x7321	Fax:	732-274-8861
E-mail:	srampacek@sbtnj.net		

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
\$6,500,000.00	\$6,500,000.00	\$0.00

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:	\$5,525,000.00
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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	Not Yet Submitted
2025 Annual Audit	Not Yet Submitted
2025 Corrective Action Plan	Not Yet Submitted
Application Year Introduced Budget	Not Yet Submitted
Budget Documentation Submitted to Governing Body	Not Yet Submitted

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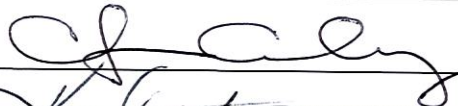
IV. A. Application Certification

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		2/19/26
Governing Body Presiding Officer		2/18/26
Chief Financial Officer		2/18/26
Chief Administrative Officer		2/18/26

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		2/19/26
Governing Body Presiding Officer		2/18/26
Chief Financial Officer		2/18/26
Chief Administrative Officer		2/18/26

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?

In 2023, there were several hardships and revenue-loss circumstances that the township faced that led us to need Transitional Aid in 2024 and 2025. However, we are requesting more Transitional Aid for 2026 because these issues we faced are having a longer residual effect than anticipated.

In April 2023, due to water scarcity, a water moratorium was placed on the township that hindered us from issuing any building permits. Due to us not being able to issue these permits for several months, our Uniform Construction Code Fees and Water Connection Fees experienced extreme revenue losses. In 2023, we collected approximately \$1.8M less Uniform Construction Code Fees and approximately \$1.2M less Water Connection Fees than we anticipated based on 2022 projections. The 15 months that we fell under this moratorium constricted our ability to raise sufficient revenues to meet our budgetary requirements. Also, the conclusion of the American Rescue Plan Funding had an impact on our budget. The loss of the \$2.3M that we used to offset salary costs added to the predicament that we are in.

In 2024 and 2025, we had several large increases to some of our budget line items. Police Salaries and Wages increased by approximately \$1.7M, Employee Group Insurance increased by approximately \$1.6M, and Garbage and Trash Removal increased by approximately \$750K. I anticipate further increased in 2026 once the budget is completed.

Finally, there were several staffing issues in the Finance Department in 2023 which we are still trying to rectify the consequences of. Due to illnesses and retirements, there was no Chief Financial Officer for approximately a year, which led to poor oversight controls and management of the office. The audits and financial statements were severely behind, which meant accounts were not being reconciled in a timely manner and by the time mistakes were caught during the audit, it was complicated to fix them since so much time had passed. As of 2024, all vacant positions in the Finance Department have been filled. Our financial records are in much better shape than they were last year, but we are still trying to get back to a normal cycle.

While we are in a much better position today than we were this time last year, we are still trying to deal with the residual effects of the above-mentioned issues that South Brunswick Township had faced. The problems have taken much longer to rectify than originally anticipated, but we are on the way to a better and brighter future.

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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
PFRS	4,097,069	4,722,521	625,452
Description:	Police pension increases		
Police Salaries	12,636,756	14,219,514	1,582,758
Description:	Police contractual salary increases		
Data Processing Center	357,318	450,741	93,423
Description:	Local IT Salary increases		
Water/Sewer Deferred Charges	878,382.79	4,624,462	3,746,080
Description:	Last year included 2024 over expenditures		
Description:			
Description:			
Description:			
Description:			
Description:			

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.

The municipality is working diligently to ensure we are operating efficiently and remaining fiscally responsible. We are bringing economic development to the township by undergoing extensive redevelopment projects which will be completed over the next few years. These projects will bring in large amounts of PILOT revenue which will greatly impact our budget. We are also being mindful of staffing requirements by consolidating departments when possible and not filling positions that are no longer necessary. Also, we are going to closely review collective bargaining agreements when they are ready for negotiations to see if there are any ways to cut down the costs to the township. Another action we are taking to reduce the future need for aid is addressing our fees, fines, and penalties. In 2024 we raised our utility rates by 7%, in June 2025 we raised our utility rates by 10%, and in January 2026 we raised our utility rates another 10% to bring in more revenue. Finally, we are addressing audit findings by ensuring our financial statements are completed in a timely manner, reconciling our bank accounts on a monthly basis, having strict control on purchasing, and overall having strong management tactics in our Finance Department.

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.

South Brunswick Township is not currently enrolled in the SHBP. Each year, we hire Acrisure to review and perform an analysis of our medical and prescription benefits. We utilize the results of their research to determine which plan best fits our needs. Based on Acrisure's analysis for 2025, we felt it was best to remain with Horizon Blue Cross Blue Shield last year. In 2025, Horizon offered us an overall increase of 2.82% in 2025 which was substantially lower than the increase that the SHBP is seeing. After comparing the rates and potential increases with the SHBP, Acrisure recommended we renew with Horizon Blue Cross Blue Shield of New Jersey for Medical, Prescription, and Dental coverage.

We are still in negotiations for 2026, but we are expecting the increases to still be less than SHBP.

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VI. Historical Fiscal Statistics

Item	2024	2025	Introduced Application Year
A. Property Tax/Budget Information			
Municipal tax rate	\$1.11	\$1.153	\$ N/A
Municipal Purposes tax levy	\$46,960,814.21	\$49,204,118.77	\$ N/A
Municipal Open Space tax levy	\$1,692,077.54	\$1,522,869.79	\$ N/A
Total general appropriations	\$73,360,423.17	\$81,703,907.49	\$ N/A

B. Cash Status Information			
% Of current taxes collected	99.49%	99.80%	%
% Used in the computation of reserve	99.75%	99.37%	N/A %
Reserve for uncollected taxes	\$590,651.07	\$1,493,160.11	\$ N/A
Total year-end cash surplus	\$979,011	\$~7,884,114	
Total non-cash surplus	\$3,422,640	\$~10,286,707	
Year-end deferred charges	\$2,443,629	\$~2,402,593*	

*Includes Special Emergencies

C. Assessment Data			
Assessed value (as of January 10)	\$4,223,855,260	\$4,268,392,100	\$4,314,319,000
Average residential assessment	\$196,500	\$196,326	\$197,163
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 -	91	86	85
Total S&W Expenditures	\$14,901,551.37	\$13,399,484.00	\$15,121,984.00
Class 2 and Class 3 Officers	5	5	5
Total S&W Expenditures	291,677.51	338,000.00	324,831.00
Uniformed Fire – Staff Number	29	26	27
Total S&W Expenditures	\$1,089,320.80	\$1,227,221.00	\$1,288,582.05
Number of Other Full-time Employees	221	209	204
Total S&W Expenditures	\$18,485,172.79	\$18,242,532.00	\$17,615,396.00
Number of Other Part-time Employees	129	119	125
Total S&W Expenditures	1,559,158.78	1,814,183.54	1,995,601.89

E. Impact of Proposed Tax Levy

			Amount
Current Year Taxable Value			4,314,319,000.00
Introduced Tax Levy			TBD
Proposed Municipal Tax Rate	TBD	Average res. value	197,163
Current Year Taxes on average residential value			TBD
Prior Year Taxes on average residential value			\$2,273.29
Proposed increase in average residential taxes			TBD

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VII. Application Year Budget Information

A. Year of latest revaluation/reassessment

1. Most current equalized ratio

1987
29.62%

B. Proposed Budget – Appropriation Cap Information

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 the use of a waiver to exceed the appropriation cap?

If YES, the amount:

	Yes	No
1. Was an appropriation cap index rate ordinance adopted last year?	X	
If YES: % that was used	3.5%	
2. Amount of appropriation cap bank available going into this year	\$401,516	
3. Is the Application Year budget at (appropriation) cap?	TBD	
If NO, amount of remaining balance	\$	
4. Does the Application Year anticipate the use of a waiver to exceed the appropriation cap?	TBD	
If YES, the amount:	\$	

C. List the five largest item appropriation increases.

Appropriation	Prior Year Actual	Application Year Proposed	\$ Amount of Increase
TBD			

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

Department/Agency	Position	Number	Dollar Amount

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E. Display projected tax levies, local revenues (not grants), anticipated (gradually reduced) Transitional Aid, total salary and wages, and total other expenses projected for the three post-application years.

	Tax Levy	Local Revenues	Transitional Aid	Total S&W	Total OE
First year	56,000,000	8,750,000	\$5,525,000.00	32,435,000	27,230,000
Second year	58,000,000	9,000,000	\$4,000,000.00	33,570,000	28,050,000
Third year	60,500,000	9,300,000	\$3,000,000.00	34,750,000	28,900,000

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 - MSI	
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		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	2026	2026	2026
Average total cost percentage increase	3.5%	3%	3%	3%
Last contract settlement date	1/1/2023	1/1/2020	1/1/2023	
Contract expiration date	12/31/2027	12/31/2027	12/31/2027	

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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)	N/A	N/A	N/A	N/A
Wage Freezes (describe below)	N/A	N/A	N/A	N/A
Layoffs (describe below)	N/A	N/A	N/A	N/A

D. Tax Enforcement Practices

Question	Yes	No
1. Did the municipality complete its accelerated tax sale by December 31, if included in 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	N/A
2. When was the last foreclosure action taken or tax assignment sale held? Date:	N/A	
3. On what dates were tax delinquency notices sent out in 2025? Date:	2/18, 5/21, 8/15, 12/1	
4. Date of last tax sale? Date:	5/20/25	

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	\$1,140,201.76	2025	\$1,002,535.46	Anticipated Application Year:	\$900,000.00
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2. List the instruments in which idle funds are invested:

Bank 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?

2.5%
PKF O'Connor Davies
2022

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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
FMBA	12/31/2027	Agreement not yet expired
PWEA	12/31/2023	Currently in MOA expiring 12/31/28
SBSA	12/31/2023	Attorney working on cleaning up language. In MOA expiring 12/31/28.

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
SBCD	PILOT	\$47,081.10	\$3,950,000	\$223,925.50	Year 2035
CIL Woods	PILOT	\$12,958.96	\$676,000	\$38,025.00	Year 2038
VOA	PILOT	\$28,880.64	\$1,981,500	\$111,459.38	Year 2036
Oakwoods	PILOT	\$47,400.00	\$1,931,000	\$108,618.75	Year 2036
ARC	PILOT	\$4,000.00	\$668,100.00	\$37,874.59	Varies
Car Sense	PILOT	\$256,656.17	\$14,030,600	\$795,394.71	Year 2046

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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	Yes		
Sewer Fees	X	Yes		
Water Fees	X	Yes		
Swimming Pool				
Uniform Construction Code	X	Yes		
Uniform Fire Code	X	Yes		
Land Use Fees	X	Yes		
Parking Fees				
Beach Fees				
Insert other local fees below:				
Land Use Escrow Fees for In-House Staff	X	Yes		
Land Use Escrow Fees for Independent Contractors	X	Yes		

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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)
Garbage/Recycling Collection	Republic	\$4,291,247	\$1,000,000	2021
Cooperative Purchasing Program	Sourcewell	Varies	Varies	2023
Cooperative Purchasing Program	Somerset County	Varies	Varies	2023
Cooperative Purchasing Program	NJ Start	Varies	Varies	2023
Cooperative Purchasing Program	ESCNJ	Varies	Varies	2023
Brush/Leaf Collection	Middlesex County	\$240,000	\$100,000.00	2021

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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 under service. **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

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

Rank Order	Service	Cost Savings	Impact on Services
1	10% cut across all appropriations	\$8,170,390.75	This would have a severe impact on services and operations of the township.

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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: 2/19/26

Chief Financial Officer:  Date: 2/18/26

Chief Administrative Officer:  Date: 2/18/26

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: _____ Date: _____

Chief Administrative Officer: _____ Date: _____

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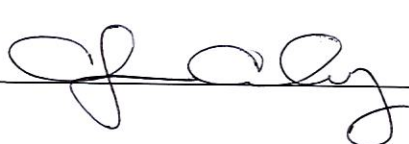
XV. Public Employment Relations Commission (PERC) Certification

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: 2/18/26

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: 2/19/26

Chief Financial Officer:  Date: 2/18/26

Chief Administrative Officer:  Date: 2/18/26