

LFN 2013-19

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Local Finance Notice

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Chief Financial Officer

CY 2013/SFY 2014 STATE AID RECAPITULATION AND PAYMENT SCHEDULES

The adopted Fiscal Year 2014 State Budget maintained formula aid program appropriations. This Local Finance Notice summarizes the aid payment program for CY 2013 and SFY 2014 budgets.

The aid breakdown and amounts for each payment cycle are posted on the [Division of Local Government Services' website](#). **Please do not discard the Aid Recapitulation form; keep it available for use during the year.**

Please read this Notice carefully before calling the Division with questions. You will find that answers for many questions are covered here. If you still have questions after reviewing this Notice, please call us at 609.292.4806.

Energy Tax Receipts and CMPTRA Modifications

The adopted Fiscal Year 2014 State Budget **did not** change the original aid certifications for Energy Tax Receipts (ETR) or CMPTRA that were based on the introduced budget. The net amount shown in the Recapitulation form reflects all formula elements: the decrease in CMPTRA offset by any increases in ETR and any Qualified Bond offset for municipalities participating in that program.

The CY 2013 Supplemental Energy Tax Receipts payment was paid on July 15, 2013; the SFY 2014 payment will be made June 20, 2014. SFY municipalities receiving these funds for SFY 2013 were paid on June 21, 2013.

Other Programs

- 1) Municipalities receiving aid under the Watershed Moratorium Offset Aid program will receive those funds as part of the October 1 aid payment.
- 2) Payments in lieu of taxes from the Open Space PILOT (formerly Garden State Trust) program are paid in advance of the fiscal year in which they are realized. The payment received in the fall of 2012 was to be reserved for use in CY 2013 budgets and anticipated in CY 2013 budgets.

The payment made in the fall of 2013 is only for TY 2014 and SFY 2014 municipalities and others approved by the Director. The payment for CY municipalities is expected to be included in the Fiscal Year 2015 State Budget to place Open Space Pilot Funding in line with other aid programs in the State Budget whereby a municipality is paid in the same year as it is budgeted. If your municipality has a question regarding this please call the Office of Financial Regulation and Assistance.

3) The payment date for the Senior Citizens and Veterans Tax Deductions is November 1 (a separate notification from the Division will identify the amounts and breakdown).

4) Any municipality that received REAP funding in SFY 2010 is permitted, subject to approval of the Director, to use a portion of its CMPTRA allocation as it would have used REAP funds as residential property tax credits. Municipalities desiring to use this approach should contact the Division's Bureau of Financial Regulation and Assistance for direction.

5) The Transitional Aid program payments for CY 2013 will be made subject to the Memorandum of Understanding that is required as part of that program.

If any municipality receives unexpected payments, the GovConnect Vendor Payment Inquiry (VPI) system enables users to determine the source of State payments. If you have questions concerning how to use VPI, please contact the GovConnect help desk at egg@dca.state.nj.us or at 609.973.4724.

Payment Schedules

The CMPTRA and ETR aid installment payment schedules are unchanged for Calendar Year municipalities. The final 5% payment is subject to adjustment based on the municipality's compliance with the Best Practices questionnaire. The State Budget requires Best Practices compliance in order for the final 5% payment (or portion thereof) of CMPTRA/ETR to be released.

State Fiscal Year municipalities will receive their final payments for these programs on June 2, 2014, following submission of their Best Practices questionnaire on April 1, 2014. CY 2013 and TY 2013 municipalities will receive their final payment in December, adjusted as required based on their questionnaire responses. CY 2013 Best Practices questionnaires are due at the Division on or before October 15, 2013.

The following schedule details direct deposit dates for ACH payments:

Statutory Payment Date	Percent of Aid	ACH Deposit Date
August 1	45%	<i>August 1</i>
September 1	30%	<i>September 3</i>
October 1	15%	<i>October 1</i>
November 1	5%	<i>November 1</i>
December 1 (CY & TY)	5%*	<i>December 2</i>
June 1 (SFY)	5%*	<i>June 2</i>

* Subject to any Best Practices adjustment

To recap the single payment schedule:

- Watershed Moratorium and Open Space PILOT (Garden State Trust) on October 1.
- Calendar Year Transitional Aid will be disbursed pursuant to the Memorandum of Understanding that each recipient will execute.
- Senior Citizens/Veterans Property Tax Deductions are paid in the November payment.

Municipalities with fire districts are reminded that they must make the appropriate payments for the old Supplemental Fire Services Program to their fire districts by November 1.

Thank you for your attention to these issues.

Approved: Thomas H. Neff, Director