

**SHARED SERVICES AGREEMENT FOR CERTIFIED FINANCIAL OFFICER, TREASURER AND
TAX COLLECTOR BETWEEN THE BOROUGH OF MAYWOOD AND THE BOROUGH OF
PARAMUS IN THE STATE OF NEW JERSEY**

THIS SHARED SERVICES AGREEMENT made this day of July 20, 2022, ("Effective Date") by and between THE BOROUGH OF MAYWOOD ("Maywood"), a borough in the County of Bergen, State of New Jersey, with principal offices located at, 15 Park Avenue, Maywood, New Jersey, 07607, and THE BOROUGH OF PARAMUS ("Paramus"), a borough in the County of Bergen, State of New Jersey, with principal offices located at, 1 Jockish Square, Paramus, New Jersey, 07652. Maywood and Paramus will be collectively referred to herein as the "Parties."

WITNESSETH:

WHEREAS, the "Uniform Shared Services and Consolidation Act" N.J.S.A. 40A:65-1 through 40A:65-35 (the "Act"), authorizes local units of this State to enter into a contract with any other local unit or units for the joint provision within their several jurisdictions of any service which any party to the agreement is empowered to render within its own jurisdiction; and

WHEREAS, the Parties have identified an area where working together through shared services will result in positive outcomes for both municipalities; and

WHEREAS, the Parties now wish to enter into a Shared Services Agreement ("Agreement") for Certified Municipal Financial Officer ("CFO"), Tax Collector, and Treasurer related services; and

WHEREAS, N.J. S.A. 40A:9-140.10 requires each municipality to have its own CFO, but allows for the use of the same CFO under a shared services agreement with another municipality; and

WHEREAS, Paramus has agreed to provide Maywood with the services of its CFO pursuant to the terms and conditions set forth herein, and also to supply Maywood with the services of a Tax Collector and Treasurer; and,

NOW, THEREFORE, with the foregoing recital paragraphs incorporated herein by this reference and in consideration of the mutual covenants contained herein, the Parties hereto agree as follows:

1. Services Provided

A. CFO Services. The Boroughs of Paramus and Maywood commenced shared CFO services January 2020. This Agreement shall constitute a CFO shared services effective August 1, 2022 to provide Maywood with the services of the Paramus CFO who was appointed to serve as the Maywood CFO, Tax Collector, and Treasurer, at the Borough's July 20, 2022, Mayor and Council meeting. This updated Agreement includes the previously agreed upon 2% annual increase in fees to the Borough of Paramus and also incorporates additional hours of service for the CFO to serve as the Borough of Maywood CFO and commensurate fees associated with the additional hours.

B. The CFO shall provide all statutory duties of the CFO for Maywood Borough. Maywood, however, agrees to continually staff its Tax and Finance offices to ensure the CFO has appropriate and adequate personnel support onsite during the term of this Agreement. Maywood shall be entitled to access the CFO during regular business hours by telephone or email through a dedicated Maywood email address. The Borough of Maywood's IT Consultant will provide remote access to the CFO. ***The Borough of Maywood will provide a laptop computer for the CFO's use to be exclusively used for Borough of Maywood business.***

B. Detail of Tax Collector Services to be Provided

- a. **Statutory Services:** Ms. Sheryl Luna, CFO, shall fulfill all duties and responsibilities of a State of NJ Certified Municipal Tax Collector as defined within NJ Administrative Code 5:32-3.1. below:

5:32-3 CERTIFIED TAX COLLECTORS

5:32-3.1 Duties of a Tax Collector

(a) The tax collector shall carry out the duties set forth below, along with such other duties as are required by law: 1. With respect to billing, the tax collector shall be responsible for: i. Ascertaining the amount of taxes due from each taxpayer and informing each taxpayer of this fact; ii. Understanding the process by which taxes are determined; iii. Cooperating with the municipal tax assessor, the county board of taxation, and other financial authorities; iv. Designing and implementing an efficient method of issuing bills; and v. Having a working knowledge of property tax exemptions, abatements, and deductions, along with electronic data processing of tax rolls and tax billing. 2. With respect to the collection of monies, the tax collector shall be responsible for: i. Receiving and accounting for payments upon notification of taxes due; ii. Ensuring the proper disposition of funds received; iii. Maintaining detailed accounting records; and iv. Processing electronic data as it pertains to the collection of monies. 3. With respect to enforcement, the tax collector shall be responsible for initiating and carrying out procedures for enforcing the timely payment of taxes by the taxpayers, including but not limited to the application of interest on delinquent accounts, tax liens, and tax sales. The tax collector shall also assist in the foreclosure of municipally-held tax sale certificates. The tax collector shall be responsible for providing the governing body and appropriate municipal officials with regular reports on the activities of his or her office including, but not limited to, billings, adjustments, collections, and balances. 5. The tax collector shall ensure compliance with all statutes, rules, regulations, and directives pertaining to municipal tax collection.

(b) A tax collector may be assigned certain secondary duties that are not specifically prohibited by law such as, but not limited to, tax search officer, collector of utility accounts, municipal treasurer, and treasurer of school monies.

C. Details of Treasurer Services to be Provided.

Duties and responsibilities of a municipal treasurer are as follows:

1. Responsible for accounting for and handling of all municipal money
2. Collects all other general receipts not otherwise designated by statute
3. Invests all municipal funds except for trust funds
4. Pays municipal expenses after warrants, vouchers or orders are approved
5. Maintains records of all receipts and all monies paid out for the municipality.

2. Fees

A. CFO, Tax Collector, and Treasurer Services. The total fee for the CFO services shall be \$17,000.00 per quarter paid by Maywood to the Borough of Paramus for a total of \$68,000.00 annually with \$30,000.00 of said fee being paid to Ms. Sheryl Luna through the Borough of Paramus biweekly payroll (Ms. Luna shall work a minimum of seven (7) hours per week (five '5' hours during office hours and two '2' hours after hours) to provide in-house financial services and supervision in accordance with section (b)iii. above.

C. Detail of CFO, Tax Collector, and Treasurer Services to be Provided

- a. Statutory Services:** Ms. Sheryl Luna, CFO, shall fulfill all duties and responsibilities of a State of NJ Certified Municipal Finance Officer as defined within NJ Administrative Code 5:32-2.1. below:
- b. Borough of Maywood required duties of the CFO, Treasurer, and Tax Collector, shall include the following responsibilities:**
- i. Supervision of Finance Department staff to include the following roles: Accounts Payable, Payroll and Treasurer; in addition, the CFO shall provide oversight of the Tax Clerk's work related to cash receipts, front counter customer service and other financially related workstreams. The Tax Collector shall supervise the Tax Clerk on all tax collection duties;
 - ii. Assess Finance Department internal controls functionality by working directly with the Borough's Auditor and staff on improving any internal control shortfalls;
 - iii. The CFO shall be on site a minimum of two (2) hours per week to provide in-house financial services and supervision, will attend bi-weekly department head staff meetings, and attend monthly meetings of the Finance Committee. In addition, the CFO will attend meetings of the Mayor and Council when needed to present and discuss Finance related projects.
 - iv. The CFO shall provide monthly financial reports to the Borough Administrator and Finance Committee members and shall provide the monthly financial report to the Finance Committee at the monthly meeting as in #iii above;
 - v. The CFO shall assist the Borough Administrator with annual operating and capital budget preparation to include attending any budgetary workshops held with Mayor and Council;
 - vi. Should Ms. Luna be unable to attend a regularly scheduled work day in Maywood due to vacation, illness or other commitment, she shall provide notice to the Borough Administrator directly 3 days prior to a scheduled absence or the morning of an unexpected absence before 8:00 am via email and telephone call;
 - vii. In Ms. Luna's absence, Paramus Borough shall assign Ms. Maria Reda, the Paramus Deputy CFO, to fill in as CFO for the Borough of Maywood;
 - viii. The CFO shall ensure all State mandated reports including annual budget(s), financial disclosure reports, "best practices" and all other mandated reports are completed timely and submitted to the State of NJ and all reports are provided to the Borough Administrator for review prior to submission to the State;
 - ix. The CFO shall work closely with the Borough's Auditor during the annual financial audit and shall apprise the Administrator of the progress through weekly updates with the Audit Manager during audit season;
 - x. The CFO shall make recommendations to the Borough Administrator and Finance Committee as to where improvements and efficiencies can be made within the Borough's Finance Department.

B. Fee Escalation. Fees paid to the Borough of Paramus as set forth in this section shall be reviewed at the end of each year and shall increase at a rate of no more than 2% annually.

3. Term The term of this Agreement shall commence on August 1, 2022, and, upon the final execution of the Agreement by the duly authorized representatives of both Parties, shall continue through July 31, 2025, (the "Term") unless terminated sooner pursuant to the terms and conditions of Section 6 of this Agreement. Notwithstanding the foregoing, by resolutions of the governing bodies of both Parties, this Agreement may be extended for additional term of three (2) years up to a total of four (4) years. Maywood will appoint the Paramus CFO, Tax Collector, and Treasurer, as its CFO, Tax Collector, and Treasurer, for an appropriate term in accordance with state statute at its annual Reorganization meeting in January of each year.

4. Indemnification

Maywood agrees to hold Paramus, its officers, employees and agents harmless from any and all claims of whatever nature or type arising from the provision of the services by Paramus to Maywood and its residents pursuant to this Agreement. Paramus shall likewise hold Maywood, its officers, employees and agents harmless from any and all claims of whatever nature or type arising from the provision of the services contained in this agreement. Such indemnification shall include payment of reasonable attorneys' fees and costs in the defense of any claim made by a third person.

5. Insurance

It is recognized and understood that Maywood and Paramus participate in a Joint Insurance Fund ("JIF"). Final approval of this Agreement by Maywood and Paramus is subject to each obtaining assurance of coverage by their respective JIF and that each will name the other as additional insured on any commercial general liability insurance policies it separately maintains. Additional policies shall include business automobile with mutually agreed deductibles. Paramus shall provide workers' compensation coverage as the CFO shall remain an employee of Paramus. Each of the Parties shall provide the other with a Certificate of Insurance setting forth the above coverage and naming the other as additional insured promptly upon the execution of this Agreement. In the event either Maywood or Paramus ceases to participate in a JIF, such party shall provide alternative insurance comparable to the JIF coverage and subject to the reasonable approval of the other party. A periodic review of insurance requirements, including an expansion of these requirements relative to a specific new Addendum, is necessary and understood by parties to this agreement. Any changes to this agreement including an addendum will require a review of the insurance requirement

6. Termination

A. This Agreement may be terminated at any time upon mutual agreement of the Parties; however, unless otherwise agreed by the Parties, such a termination shall not become effective for a maximum of three (3) months following the adoption of joint resolutions by both governing bodies authorizing the termination.

B. Either party may terminate this Agreement at any time and for any reason upon giving the other party three (3) months' notice of its intent to terminate.

C. In the event either party defaults in the performance of any of its obligations under this Agreement, after receiving written notice of same and failing to cure such default within thirty (30) days of said written notice, the non-defaulting party shall be entitled to terminate this Agreement and shall be entitled to all other remedies available at law, in equity, or both. The non-defaulting party shall also be entitled to receive from the defaulting party all costs

and expenses, including legal fees, as a result of such default.

D. In the event of a termination pursuant to any subsection of this paragraph, the Parties shall take all steps necessary to ensure that the services are transitioned back to the respective party in a manner which does not jeopardize the health, welfare or safety of the residents of either party. In addition, all Parties shall be entitled to the return of all equipment and other personal property that was transferred or loaned pursuant to this Agreement.

7. Chain of Command; Annual Meeting

A. The Paramus employee providing services under this Agreement shall be under the exclusive authority and control of Paramus; conversely, the Maywood employee(s), if any, providing services under this Agreement shall be under the exclusive authority and control of Maywood. Both Parties shall only provide direction, or instruction, to the other party's employees through the Borough Administrator, or other managerial designate, of the respective party. Neither party shall discipline or reprimand any employee of the other party to this agreement. All complaints, instructions, requests, including requests for information, or other lines of communication by either party shall be through the Mayor and/or Administrator, or such other chief administrative officer, as may be designated from time to time by the respective Parties.

B. The Parties agree to have their designated representatives meet at least twice a year to discuss the provision of the services under this Agreement; the costs associated with same; and any other matters concerning this Agreement.

8. Confidentiality

The Parties recognize and acknowledge that in the performance of the duties called for under this Agreement, certain confidential information of the other party will need to be shared or transmitted, including employment, operations and financial records, as well as, related data which is not otherwise publicly available ("Confidential Information"). Each party will treat as confidential all Confidential Information of the other party while implementing reasonable procedures to prohibit the disclosure, unauthorized duplication, use, misuse, or removal of the other party's Confidential Information, and will not use or disclose such Confidential Information, unless it becomes generally known through no fault of the disclosing party, or unless such party is required by law or court order to disclose such Confidential Information.

9. Choice of Law

Any dispute under this Agreement or related to this Agreement shall be governed by and construed in accordance with the laws of the State of New Jersey.

9. Entire Agreement

This Agreement represents the entire agreement between the Parties and cannot be changed or modified orally. This Agreement may be supplemented, amended or revised only by writing, which is to be signed by all of the Parties hereto.

10. Severability

If any part of this Agreement shall be held to be unenforceable, the rest of this Agreement shall nevertheless remain in full force and effect.

11. Waiver

Failure to insist upon strict compliance with any of the terms, covenants, or conditions of this Agreement at any one time shall not be deemed a waiver of such term, covenant, or condition at any other time nor shall any waiver or relinquishment of any right or power herein at any time be deemed a waiver or relinquishment of the same or any other right or power at any other time.

11. Modification

This Agreement may not be changed orally, and may be modified or amended only by a written agreement signed by both Parties. In consideration of unforeseen circumstances and in order to insure proper and efficient delivery of services to the residents of Maywood and Paramus, the delivery of services can be practically modified, as it pertains to day to day logistical operations, by mutual consent of the Parties, Administrators, or their managerial designees.

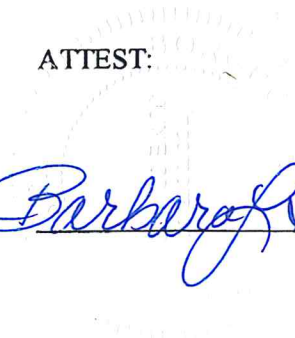
12. Expansion

Upon the mutual agreement of the Parties, this Agreement may be expanded in the future in order to cover additional services not presently covered in this Agreement. Such expansion will require the Parties to re-examine the terms and conditions of this Agreement at that time, and the adoption of a new Agreement, or an additional addendum to this Agreement.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement the date first above written

ATTEST:



Barbara R. Wipke

BOROUGH OF MAYWOOD:

Richard Bola

ATTEST:

[Signature]

BOROUGH OF PARAMUS

[Signature]

Dated this 20 day of July, 2022.