

Township of Millstone

Certified Municipal Financial Officer

Financial Advisory Services

Service for Township of Millstone

Prepared by Holman Frenia Allison, P.C.

Lead Consultant:

Matthew Holman, CPA, PSA
Partner

Holman Frenia Allison, P.C.

MHolman@facpas.com

November 30, 2022

Honorable Al Ferro, Mayor
Township of Millstone
470 Stage Coach Road
Millstone, NJ 08510

Holman Frenia Allison, P.C. (hereinafter "HFA") appreciates the opportunity to present our proposal to perform financial advisory services to Township of Millstone (hereinafter "Millstone"). Through this engagement, HFA will provide Finance Office services to Millstone including Certified Municipal Finance Officer duties.

Advisory service engagements are designed to develop findings, conclusions, advice, and recommendations that will assist leadership in making decisions and meeting its operational and strategic objectives. Our engagement to perform advisory consulting services will be conducted in accordance with the needs of the leadership of Millstone. HFA will align its engagement team and cultivate its advisory strategy to effectively execute the work required to achieve Millstone's objectives.

In order for HFA and our clients to engage in a productive work arrangement, it is imperative that our clients have confidence in our grasp of the advisory work being performed, the framework and resource strategy we will use to perform the work, and the deliverables that will be produced as a result of the engagement. Below are a few key highlights of our firm's strengths and suitability:

Our Firm:

HFA Advisory dedicates an extensive portion of its technical resources and internal capabilities to our Financial Consulting Team, being that client work in this service area accounts for a sizeable portion of our practice. As a firm, we are a NJ certified Continued Professional Education (CPE) instructor, and the importance we place on training and developing our employees in the financial consulting space can be seen through the entirety of our professional staff meeting or exceeding CPE requirements. Lastly, being an independent member of BDO Global (an international network of professional service firms), we are able to access the resources provided by a network spanning 150 countries and a multitude of specialties including municipal financial consulting, and we directly translate this intellectual capital into value for our clients.

Our People:

HFA is comprised of a 5-Partner Team with combined experience of over 150 years in the public accounting and business consulting arena. With a certification-rich and diverse staff of over 50 professionals, Certified Public Accountants, Big 4-Tenured Management Consultants, Certified Valuation Analysts, Chartered Global Management Accountants, M&A Consultants, Certified Data Specialists, and Certified Fraud Examiners, HFA is able to provide unique perspectives and manifold competencies to each financial consulting engagement.

Our Process:

HFA implements a flat-hierarchy and a cross-functional work system. Our Partners and Directors are key contributors to the engagement work being performed, and implement regular communication cadences with both the client and professional engagement staff. HFA has frameworks in-place that allow for the expedient collaboration of firm professionals who are diverse in both specialty and geographic locale.

The following proposal demonstrates the engagement plan we will implement to perform the roles and responsibilities relating to financial consulting services. HFA will furnish any additional information upon request, and we thank you again for the opportunity to propose this engagement.

Sincerely,

Holman Frenia Allison, P.C.



Matthew Holman, CPA, PSA
Partner

I. ENGAGEMENT PARTIES

The Sections detailed in this document serve as HFA's formal Engagement Proposal for Township of Millstone, and involve the following parties:

Client: Honorable Al Ferro, Mayor
Township of Millstone
470 Stage Coach Road
Millstone, NJ 08510

Consulting Firm: Holman Frenia Allison, P.C. (HFA)
194 East Bergen Place
Red Bank, NJ 07701
www.hfacpas.com

II. PROJECT PURPOSE

HFA will provide financial advisory services to the township including Certified Municipal Finance Officer Services.

The activities we perform and the deliverables we produce as a result of our engagement work are intended solely for the use of the Township of Millstone leadership, the HFA engagement team, and any other party deemed appropriate by the Township of Millstone leadership team. These deliverables should not be used by anyone other than said parties.

Matthew Holman, CPA, PSA is the Senior Partner overseeing the engagement. Anthony Mannino, CMFO, CCFO is the Director executing the engagement. Ad hoc HFA Advisory department personnel will be staffed to the engagement as directed by Anthony Mannino.

III. SCOPE OF WORK

The following activities constitute the full list of in-scope activities with which HFA will perform:

In-Scope Activities

1. Certified Municipal Finance Officer Duties for the Township of Millstone

Out-of-Scope Activities

Any activity that is not included in the aforementioned list of "In-Scope Activities" is considered out-of-scope for the purposes of this project. HFA assumes no responsibility for the completion of "Out-of-Scope-Activities," unless a change order is submitted by the Client and accepted by HFA for inclusion.

IV. ROLES & RESPONSIBILITIES

Exhibit 1 provides the roles and responsibilities for all key participants included in the HFA engagement team for each of the project's activities.

Exhibit 1: HFA RACI Matrix

Activity	HFA Financial Advisory Team			
	Matthew Holman, CPA, PSA Partner	Anthony Mannino CMFO, CCFO Director		Ad Hoc Advisory Staff
Selection of In-Scope Activities	A	R		I

Project Oversight and Managerial Duties	R A	R	I	
Defining Project Success Criteria	R A	R	I	
Certified Municipal Finance Officer Duties	R A	R	I	

Exhibit 2 below provides a description of each role and responsibility listed in the RACI Matrix table above.

Exhibit 2: RACI Matrix Definitions

Role		Description
<i>R</i>	<i>Responsible</i>	<i>The team member(s) responsible for executing the work to complete the activity</i>
<i>A</i>	<i>Accountable</i>	<i>The team member who provides the final review of the activity or deliverable before it is deemed completed</i>
<i>C</i>	<i>Consulted</i>	<i>The team member(s) responsible who provide ongoing review and feedback for on the activity progress</i>
<i>I</i>	<i>Informed</i>	<i>The team member(s) who are notified of project progress, but are not provided granular activity detail regularly</i>

V. ASSUMPTIONS & DEPENDENCIES

The successful execution of the project is based upon the following assumptions and dependencies.

Assumptions / Dependencies

1. The Client supplies HFA with all requested documentation and supporting materials necessary to execute project activities in a timely fashion.
2. The documentation and supporting materials provided to HFA by the Client are accurate.
3. The Client provides access to the internal resources (people, processes, technology, and facilities) necessary to execute project activities in a timely fashion.
4. All resources staffed to this project, both at the Client and HFA, are available to perform their required functions.
5. In the event of an unplanned change in staffing, the change will be reconciled within a reasonable timeframe.
6. Any unanticipated delay in resource and material availability may delay the project timeline.

VI. COMMUNICATION

The HFA team will return all Client messages (by either e-mail or phone) within a timeframe no later than 24 hours upon receipt. We make it a priority to be as accessible as possible, as the successful execution of Millstone's engagement objectives is dependent upon open lines of communication between the Millstone team and HFA.

VII. COST PROPOSAL

Our fee for this engagement will be **\$3,750** (not-to-exceed).

The project will be tracked hourly. Township of Millstone will be billed based on hourly rates until the \$3,750.00 threshold has been reached.

Note: All financial consulting invoices will be rendered on a monthly basis.

Please see below for our Advisory Department's hourly rates.

HFA Advisory Position	Hourly Rate
Partner	\$220.00
Director/Consultant	\$185.00
Supervisor	\$155.00
Senior Advisor	\$135.00
Advisor	\$120.00
Staff	\$100.00

VIII. CLIENT ACCEPTANCE & SIGNATURES

We are pleased to have this opportunity to serve you. If the contents contained within this proposal meet your expectations, kindly sign and date this proposal in the spaces provided below and return to us.

The Client and HFA accept the terms and conditions contained in this Engagement Proposal, and the Client agrees to hire HFA as its professional consultant for the Project.

Holman Frenia Allison, P.C.

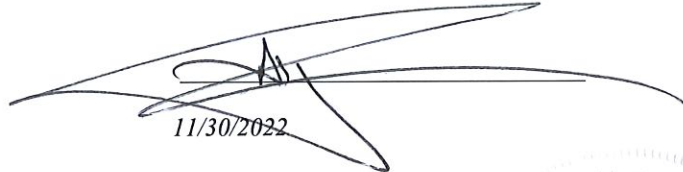
Matthew Holman, CPA, PSA, Partner



11/30/2022

Township of Millstone

Honorable Al Ferro, Mayor



11/30/2022



RESOLUTION NO. 23-01
MEETING DATE: 01-04-2023

RESOLUTION APPOINTING PROFESSIONALS FOR 2023

DM/Morris offered the following Resolution and moved its adoption, which was second by **C/McLaughlin**.

WHEREAS, there exists a need for the services of a Township Attorney, Township Engineer, Township Auditor, Township Planner, Township Bond Counsel, Township Prosecutor, Township Public Defender; NJ Certified Tree Expert and Financial and Accounting Consulting Services; and

WHEREAS, funds for this purpose will be provided for the first three months of 2023 in the 2023 Temporary Budget and funds for the balance of 2023 will be provided in the Budget for the Year 2023 when finally adopted, and the Treasurer has so certified in writing; and

WHEREAS, The Local Public Contract Law (N.J.S.A. 40:A 11-1 et seq.) requires that the resolution of appointment be publicly advertised when professional services are engaged without competitive bids.

WHEREAS, these contracts are being awarded pursuant to a fair and open process.

NOW, THEREFORE, BE IT RESOLVED, by the Mayor and Township Committee of the Township of Millstone that:

1. The Township Committee of Millstone Township and its Mayor and Clerk are hereby authorized and directed to engage the services of:

PROFESSIONAL	FIRM	POSITION
Brian Chabarek, Esq.	Davison, Eastman, Munoz, Paone, PA	Township Attorney
Gerard Stankiewicz, CPA, RMA	Samuel Klein & Company, LLP	Township Auditor
Fred Heyer, P.P. and/or M. McKinley Mertz, P.P.	Heyer, Gruel & Associates	Township Planner
John D. Draikiwicz	Gibbons P.C.	Township Bond Counsel
Susan L. Solda De Simone, Esq.	Susan L. Solda De Simone, Esq.	Township Prosecutor
Raymond Albert Raya, Esq.	Raymond Albert Raya, Esq.	Township Public Defender
Matthew Holman	Holman Frenia Allison, P.C.	Financial and Accounting Consulting Services
Matt Shafai	Leon S. Avakian, Inc.	Township Engineer
Lisa Rosati	Tupelo Tree Experts, LLC	NJ Certified Tree Expert

2. These appointments are being made without competitive bidding because these appointments involve members of recognized professions, licensed and regulated by law, and are, therefore, specifically exempt under N.J.S.A. 40A:11-5.

3. These appointments are one (1) year appointments unless otherwise stated for the Year 2023, or until they are re-appointed and/or their successors are appointed and have qualified. Writings indicating the agreements between the parties have been sent or shall be or are on file with the Municipal Clerk of Millstone Township.

4. These contracts shall not exceed the budgeted line items in the Current Fund, The Open Space Trust Fund, COAH Trust and the General Capital Fund for all legal expenses, it being understood that this is a maximum amount. There is no obligation of the Township to expend this amount. Total fees paid out will be dependent upon litigation and legal projects which present themselves and are assigned during the upcoming year. No amounts are expended without submission and review of detailed, itemized vouchers for all time expended, as follows:

4a.	Attorney	\$200,000.00
	Engineer	\$300,000.00
	Auditor	\$ 26,900.00
	Planner	\$ 60,000.00
	Bond Counsel	\$ 15,000.00
	Financial & Accounting Consulting Services	\$ 45,000.00
	Prosecutor	\$ 23,000.00
	Public Defender	\$ 7,500.00
	Tree Expert	\$ 10,000.00

5. The following contract authorized hereby provides for the appointed professional to charge what are known as "escrow" accounts, i.e., funds deposited with the Township by those (generally developers) who agree to or are required to pay for the professional's time and expense for certain tasks. These funds do not come from taxpayers. Based on recent years "escrow" billings, the additional charges to be paid under this contract, not from taxpayers' money, could be approximately, as follows:

5a.	Attorney	\$ 50,000.00
	Planner	\$ 40,000.00
	Engineer	\$150,000.00
	Tree Expert	\$ 10,000.00

6. The Mayor and Municipal Clerk are hereby authorized to execute Contracts for the provisions of the above services, a copy of which Contracts shall be maintained in the Municipal Clerk's Office.

7. A copy of this Resolution certified to be a true copy by the Municipal Clerk, shall be published in the official newspaper of the Township as required by law, within 10 days of the adoption, and forwarded to each of the appointees and Township Treasurer.

BE IT FURTHER RESOLVED, that a certified copy of this Resolution be forwarded to the Chief Financial Officer and each of the above listed professionals.

ROLL CALL:

AYES: C/Zabrosky, C/Davis, C/McLaughlin, DM/Morris, M/Ferro

NAYS: None

ABSTAIN: None

ABSENT: None

I HEREBY CERTIFY the foregoing to be a true copy of the Resolution adopted by the Millstone Township Committee at its meeting of January 4, 2023.



Kathleen Hart, RMC
Municipal Clerk



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

01/24/2023

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Insurance Agency Management 230 High Street P.O. Box 158 Burlington NJ 08016	CONTACT NAME: Karen Kendra PHONE (A/C, No, Ext): (609) 953-2282 E-MAIL ADDRESS: kkendra@tcirons.com FAX (A/C, No): (609) 953-7719																					
INSURED Holman, Frenia & Allison, PC 1985 Cedar Bridge Avenue Suite 3 Lakewood NJ 08701	<table><tr><th colspan="2">INSURER(S) AFFORDING COVERAGE</th><th>NAIC #</th></tr><tr><td>INSURER A:</td><td>The Phoenix Insurance Company</td><td>25623</td></tr><tr><td>INSURER B:</td><td>The Travelers Property Casualty Insurance Company of</td><td>25674</td></tr><tr><td>INSURER C:</td><td>Argonaut Insurance Company</td><td>19801</td></tr><tr><td>INSURER D:</td><td></td><td></td></tr><tr><td>INSURER E:</td><td></td><td></td></tr><tr><td>INSURER F:</td><td></td><td></td></tr></table>	INSURER(S) AFFORDING COVERAGE		NAIC #	INSURER A:	The Phoenix Insurance Company	25623	INSURER B:	The Travelers Property Casualty Insurance Company of	25674	INSURER C:	Argonaut Insurance Company	19801	INSURER D:			INSURER E:			INSURER F:		
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INSURER F:																						

COVERAGES **CERTIFICATE NUMBER:** CL2312448134 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS														
A	☒ COMMERCIAL GENERAL LIABILITY ☐ CLAIMS-MADE ☒ OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: ☒ POLICY ☐ PRO-JECT ☐ LOC OTHER:			6808249H568	02/01/2023	02/01/2024	<table><tr><td>EACH OCCURRENCE</td><td>\$ 2,000,000</td></tr><tr><td>DAMAGE TO RENTED PREMISES (Ea occurrence)</td><td>\$ 300,000</td></tr><tr><td>MED EXP (Any one person)</td><td>\$ 5,000</td></tr><tr><td>PERSONAL & ADV INJURY</td><td>\$ 2,000,000</td></tr><tr><td>GENERAL AGGREGATE</td><td>\$ 4,000,000</td></tr><tr><td>PRODUCTS - COMP/OP AGG</td><td>\$ 4,000,000</td></tr><tr><td></td><td>\$</td></tr></table>	EACH OCCURRENCE	\$ 2,000,000	DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 300,000	MED EXP (Any one person)	\$ 5,000	PERSONAL & ADV INJURY	\$ 2,000,000	GENERAL AGGREGATE	\$ 4,000,000	PRODUCTS - COMP/OP AGG	\$ 4,000,000		\$
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	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below Y/N ☐ N/A						<table><tr><td>PER STATUTE</td><td>OTH-ER</td><td></td></tr><tr><td>E.L. EACH ACCIDENT</td><td></td><td>\$</td></tr><tr><td>E.L. DISEASE - EA EMPLOYEE</td><td></td><td>\$</td></tr><tr><td>E.L. DISEASE - POLICY LIMIT</td><td></td><td>\$</td></tr></table>	PER STATUTE	OTH-ER		E.L. EACH ACCIDENT		\$	E.L. DISEASE - EA EMPLOYEE		\$	E.L. DISEASE - POLICY LIMIT		\$		
PER STATUTE	OTH-ER																				
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C	PROFESSIONAL LIABILITY			121APL019346602	02/01/2023	02/01/2024	<table><tr><td>EACH CLAIM</td><td>\$2,000,000</td></tr><tr><td>ANNUAL AGGREGATE</td><td>\$2,000,000</td></tr><tr><td>RETENTION</td><td>\$ 10,000</td></tr></table>	EACH CLAIM	\$2,000,000	ANNUAL AGGREGATE	\$2,000,000	RETENTION	\$ 10,000								
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RETENTION	\$ 10,000																				

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER**CANCELLATION**

Millstone Township Municipal Building 470 Stage Coach Road Millstone Township NJ 08510	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE
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