

RESOLUTION 2021-195


**RESOLUTION OF THE MAYOR AND COUNCIL OF THE BOROUGH OF
MAGNOLIA AUTHORIZING A SHARED SERVICES AGREEMENT WITH THE
BOROUGH OF RUNNEMEDE RELATIVE TO THE SERVICES OF THE CHIEF
FINANCIAL OFFICER PURSUANT TO N.J.S.A. 40A:65-1 ET SEQ**

WHEREAS, N.J.S.A. 40:8A-1 et al. and N.J.S.A. 40A:11-10 et al. authorizes contracting units to enter into a Shared Services Agreement; and

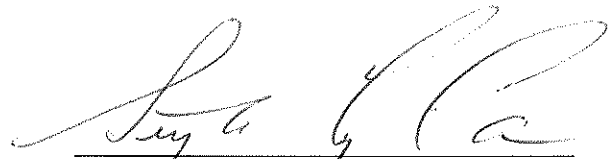
NOW, THEREFORE, BE IT RESOLVED, by the Mayor and Council of the Borough of Magnolia, County of Camden, State of New Jersey, that the Mayor is hereby authorized to execute a Shared Services Agreement with the Borough of Runnemede for the utilization of the services of the Chief Financial Officer.

BE IT FUTHER RESOLVED, that the term of this agreement shall be from January 1, 2022 through December 31, 2024.

ADOPTED: December 16, 2021




Krystel M. Arana
Deputy Municipal Clerk



Betty Ann Cowling-Carson
Mayor

CERTIFICATION

I, Krystel M. Arana, Deputy Municipal Clerk of the Borough of Magnolia, County of Camden, State of New Jersey, do hereby certify that the foregoing Resolution 2021-195 was duly adopted by the Mayor and Council of the Borough of Magnolia at a regular meeting held on Thursday, December 16, 2021.



Krystel M. Arana
Deputy Municipal Clerk

**SHARED SERVICES AGREEMENT BY AND BETWEEN THE BOROUGH OF
MAGNOLIA AND THE BOROUGH OF RUNNEMEDE RELATIVE TO THE
SERVICES OF A CHIEF MUNICIPAL FINANCIAL OFFICER**

This Agreement is entered into beginning on January 1, 2022 by and between the Borough of Magnolia, with offices located at 438 West Evesham Avenue, Magnolia, New Jersey, 08049 (hereinafter referred to as "Magnolia") and the Borough of Runnemede, 24 North Black Horse Pike, Runnemede, New Jersey, 08078, (hereinafter referred to as "Runnemede") subject to Resolutions of each municipality which will adopt said Agreement.

WITNESSETH

WHEREAS, the *Uniform Shared Services and Consolidation Act* (N.J.S.A. 40A:65-1 et seq.) provides that local units of government may enter into a contract for the joint provision of any service which either party to said Agreement is empowered to render or perform within its own jurisdiction; and

WHEREAS, N.J.S.A. 40A:9-140.10 requires all municipalities to appoint and employ a Chief Financial Officer ("CFO"); and

WHEREAS, N.J.S.A. 40A:9-140.10 specifically authorizes municipalities to fulfill said obligation by entering into a shared services agreement with another municipality; and

WHEREAS, the Mayor and Council of Magnolia, and the Mayor and Council of Runnemede, are consistently exploring options available to obtain cost savings for Borough residents in the performance of various services, while still maintaining quality of performance and a high level of professionalism; and

WHEREAS, in furtherance of this mission, the Mayor and Council of Runnemede are desirous of entering into a Shared Services Agreement with Magnolia for Magnolia to provide CFO services for Runnemede; and

WHEREAS, N.J.S.A. 40A:9-140.13 requires that any individual serving as a CFO of a municipality obtain and hold a municipal finance officer certification as a condition of employment; and

WHEREAS, N.J.S.A. 40A:65-6 provides, in relevant part, that where a Shared Services Agreement concerns the services of an employee who is required to comply with a State license or certification requirement as a condition of employment, the Agreement shall provide for the payment of a salary to the officer or employee and shall designate one of the local units as the primary employer of the officer or employee for the purpose of that person's tenure rights; and

WHEREAS, pursuant to said provision and this Agreement, Magnolia is designated as the primary employer; and

WHEREAS, Runnemede and Magnolia have agreed upon the basic terms of a Shared Services Agreement whereby Runnemede will pay to Magnolia in accordance with the terms of this Agreement in exchange for Magnolia providing Runnemede with the services of its CFO to fulfill Runnemede's statutory obligation, but for not less than 20 hours per week; and

WHEREAS, the initial term of the Shared Services Agreement shall be effective for three (3) years, effective January 1, 2022, subject to a mutual option to renew, exercisable by resolution of the respective governing bodies; and

WHEREAS, it is the intention of Magnolia and Runnemede to enter into a Shared Services Agreement concerning the position of CFO for Runnemede, pursuant to the provisions of N.J.S.A. 40A:65-1, et seq. and N.J.S.A. 40A:9-140.10; and

WHEREAS, the proper and respective municipal officials are authorized to execute this Agreement pursuant to Ordinance and/or Resolution adopted, or to be adopted, by Magnolia and Runnemede.

NOW, THEREFORE, and in consideration of the mutual promises set forth herein, the parties hereto agree as follows:

I. Scope of Services

- A.** Magnolia shall provide to Runnemede the services of a CFO pursuant to N.J.S.A 40A:9-140.13 and N.J.S.A 40A:9-140.10, who shall perform all of the duties of a Certified Municipal Finance Officer as is required pursuant to the Laws of the State. Runnemede shall provide the CFO with a suitable office and equipment necessary to perform said tasks.
- B.** It is expressly understood that twenty (20) hours weekly of CFO services will be minimally required by Runnemede. Flexibility in the performance of services will be freely granted as needs arise. Remote performance may be utilized as appropriate for both municipalities. The CFO and Runnemede shall mutually agree as to the days and hours to be worked after completing Magnolia's CFO duties in order to complete all duties and statutory requirements for the delivery of CFO services in Runnemede.

II. Compensation to Magnolia and Magnolia's Employer Status

- A. Runnemedede shall compensate Magnolia for the shared services for the amount of \$63,671.76.
- B. The payments to Magnolia shall be made on a monthly basis; that is a one-twelfth (1/12) payment of the annual twelve (12) months compensation shall be made to Magnolia each month for the amount of \$5,305.98. (2022 Rate)
- C. As this is a shared services agreement, Magnolia is the sole employer of the CFO and remains responsible for all compensation and benefits due to the CFO. Runnemedede shall have no authority over the terms and conditions of the CFO's employment.
- D. Runnemedede shall not be responsible for any additional payments to Magnolia (nor to the CFO) for CFO services rendered under this Agreement.

III. Terms of this Agreement

- A. The term of this Agreement shall be for three (3) years commencing on January 1, 2022 and terminating on December 31, 2024, unless otherwise terminated pursuant to the terms herein.
- B. This Agreement may be terminated without cause by either party upon ninety (90) days prior written notice.
- C. The parties agree that upon termination, Magnolia will continue to provide services for a transition period of up to one hundred twenty (120) days, if requested in writing by Runnemedede. Compensation for said transition period will continue on a proportional, pro rata basis based upon the fee then in effect.

IV. Liaison and Mediation

The Directors of Finance and Administration of the respective Borough Councils shall act as liaison to the other municipality relative to any issue that may arise under the terms of this Agreement. Should an impasse occur between the parties relative to this Agreement, that issue shall be submitted to mediation and thereafter to arbitration, if necessary.

V. Audit and Inspection

Magnolia and Runnemede agree to permit each other and/or their agents to examine any and all records relevant to this Agreement and shall make the same available upon demand at a reasonable time and place for the purpose of auditing the records, reports and documents relative to this Agreement.

I. Indemnification

- A. Runnemede shall indemnify, hold harmless and defend Magnolia, its elected officials, employees, officers, agents and professionals from and against all liability, claims, suits, losses, damages, costs and demands (each a "claim") on account of bodily injury, including death or property damage, arising out of or connected with the performance of the services under this Agreement unless such claim is the result of the intentional or negligent conduct of Magnolia, its elected officials, employees, officers, agents and professionals.
- B. Magnolia shall indemnify, hold harmless and defend Runnemede, its elected officials, employees, officers, agents and professionals from and against all liability, claims, suits, losses, damages, costs and demands (each a "claim") on account of bodily injury, including death or property damage, arising out of or connected with the performance of the services under this Agreement unless such claim is the result of the intentional or negligent conduct of Runnemede, its elected officials, employees, officers, agents and professionals.

II. Notices

All notices hereunder shall be in writing and sent via Certified Mail, Return Receipt Requested for Magnolia to the Borough Clerk, Borough of Magnolia, 438 West Evesham Avenue, Magnolia, New Jersey, 08049; and for Runnemede to the Borough Clerk, Borough of Runnemede, 24 North Black Horse Pike, Runnemede, New Jersey, 08078. Service may also be affected by other customarily accepted methods of delivery with confirmed receipt.

III. Effective Date

This Agreement shall become effective and commence upon approval of both parties through adoption of Resolution as well as any other agency or person that must by law approve this Agreement and/or the CFO Services to be provided by Magnolia to Runnemedede.

IV. Miscellaneous

A. Construction of this Agreement

The parties acknowledge that this Agreement was prepared under New Jersey Law and shall therefore be interpreted under the laws of that State.

B. Amendments

This Agreement may not be amended, altered or modified in any manner except in writing signed by the parties hereto.

C. Headings

This Section and any other headings contained in this Agreement are for references only and shall not affect the meaning and interpretation of this contract.

D. Invalid Clause

The invalidity of any clause contained herein shall not render any other provision invalid and the balance of this Agreement shall be binding upon all parties hereto.

E. Entire Agreement

This Agreement shall consist of the entire Agreement of the parties and it is acknowledged that there are no side or oral Agreements related to this undertaking set forth herein.

F. Assignability

This Agreement and all rights, duties and obligations contained herein may not be assigned without the prior written permission of the non-assigning party.

G. Affirmative Action

The affirmative action provisions set forth in the documents attached hereto are incorporated herein and made a part hereof.

H. Funding

In accordance with the provisions of N.J.S.A. 40A:11-15, this Agreement is subject to the availability and appropriation of sufficient funds in the year in which it is in effect.

I. Waiver

It is understood and agreed by the parties that a failure or delay in the enforcement of any of the provisions of this Agreement by either of the parties shall not be construed as a waiver of those provisions.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement, the day and year first above written.

BOROUGH OF MAGNOLIA

By:


BETTYANN COWLING-CARSON, MAYOR

DATED: 12/16/2021

ATTEST:


Krystel Arana, Deputy Borough Clerk

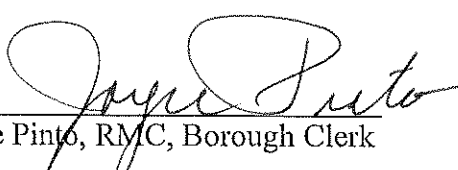
BOROUGH OF RUNNEMEDE

By:


NICK KAPPATOS, MAYOR

DATED: 12/7/21

ATTEST:


Joyce Pinto, RMC, Borough Clerk