

Transitional Aid Application for Calendar Year 2012
Division of Local Government Services
Department of Community Affairs

General Instructions: This application must be submitted in its entirety by **February 29, 2012** for funding consideration under this program. Information contained in the application is subject to independent verification by DLGS. Refer to Local Finance Notice 2011-39 when preparing this application for specific instructions and definitions, and review the Submission Checklist on Page 7.

Name of Municipality: Borough of Penns Grove		County: Salem
Contact Person: Stephen F. Labb		Title: Chief Financial Officer
Phone: (856) 299-0098 Ext 107	Fax: (856) 299-0975	E-mail: pennsgrove@verizon.net

I. Aid History

List amount of Transitional or former Discretionary Aid (Extraordinary, Special Municipal, or Capital Cities) received for the last three years, if any:

CY 2011	CY 2010	CY 2009
\$ 750,000.00	\$ 1,000,000.00	\$ 850,000.00

II. Aid Request for Application Year: (All municipalities currently operating under a Transitional Aid MOU are advised that a decrease from prior year funding is likely.)

Amount of aid requested for the Application Year:	\$ 725,000.00
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If not seeking a decrease, a letter from the Mayor is required. See Local Finance Notice 2011-39

III. Submission Requirements

The following items must be submitted with, or prior to, submission of this application. Indicate date of submission of each.

Item	Date Submitted to DLGS
Prior Year Annual Financial Statement	2/10/12
Previous Year Annual Audit	11/07/11
Previous Year Audit Corrective Action Plan	1/23/12
Application Year Introduced Budget	2/29/12
Budget documentation submitted to governing body	2/01/12

IV. Application Certification

The undersigned herewith certify that they have reviewed this application and, to the best of their ability, find its contents to be true and that it accurately portrays 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 aid awards is final and not subject to appeal.

Official	Signature	Date
Mayor/Chief Executive Officer		2/29/12
Governing Body Presiding Officer		2/29/12
Chief Financial Officer		2/29/12

V-A. Explanation of Need for Transitional Aid

Explain the circumstances that require the need for 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 it would substantially jeopardize the fiscal integrity of the municipality.

The following factors, which exist in the Borough of Penns Grove, justifies the need of awarding Transitional Aid in 2012: these are continuing conditions from prior applications which are updated. Mayor and Council are still hopeful that a developer will see the potential of the River Walk Project; Council continues to take steps in reducing costs without major impact to services.

1. The effect of high percentage of properties that are non-ratables on the size of a Municipality that is less then one square mile.
2. The effect of subsidized public housing on the Borough's tax base.

FACTOR 1:

It is difficult to offset budget increases in the Borough of Penns Grove. The Borough of Penns Grove is less than one square mile in total area. Based on the Demographics and Social Economic Characteristics of the 2010 Census, Per capita income of the past 12 months is \$ 15,785.00; Medium household income is \$ 30,104.00; Persons below Poverty are 1,441, which is 28% of the population. Unemployment rate as of March 2011 is 11.2%, as the data suggest, the Borough of Penns Grove qualifies as distressed. The only viable land for development is the Riverfront. Mayor and Council are hoping to attract the "right developer", for the Riverfront. Even though there have been many setbacks with prior Developers the goal is to move forward. There is an ongoing effort for the Municipality to be self sufficient, but currently we need the State's support in order to achieve this goal. **The Municipality will not be able to sustain a 48 cent increase in Local Purpose Tax, if additional aid is not received.**

The Borough also suffers from a high percentage of properties, which are non-ratables. It is estimated that 34% of the total value of land and improvement (property), within the Borough of Penns Grove are non-taxable. Here again is a list of those properties:

a. Government Institutions:

1. The Penns Grove – Carneys Point School District Office.
2. The Penns Grove – Carneys Point Middle School.
3. The Penns Grove – Carneys Point Carleton School.
4. The Salem County Social Services main office.
5. The Borough Hall.
6. The Ambulance and Fire Department buildings.
7. The Street Department building.
8. The Penns Grove – Carneys Point Library.

b. Non-profit Organizations and Clubs:

1. The Washington Club.
2. The Citizens' League.
3. Two separate Elk Lodge facilities.
4. The American Legion.
5. The Puerto Rican Action Committee.
6. The Advancement Club.
7. Howard Avenue Mental Health Facility Halfway House.

The Penns Grove – Carneys Point Historical Society Headquarters. This is the most recent non-profit organization, which acquired a former ratable and transferred it into a non-ratable. The property was formally a commercial bank, which unfortunately closed. Although the Borough of Penns Grove supports the efforts of the Historical Society, it is hard to accept the fact that the acquisition of this building, by a tax exempt organization is in a key commercial section of our town. The loss of such a well maintained structure eliminates the Borough's opportunity to secure a commercial ratable.)

*Formed in 2003.

c. Churches:

The Borough of Penns Grove presently has eleven (11) active churches within its' boundaries as well as a large community center, all of which are exempt from taxes. This does not include churches that are occupying as tenants. The Borough surely does not object to having these religious institutions within its' boundaries, but includes them to give a clear picture of just how severe the non-ratable situation is for the Borough.

In summary, when you factor the size of the Borough of Penns Grove and then review the number of non-ratable properties that exist, there is a tremendous burden placed on the tax payers of the Borough of Penns Grove. Not only does the Borough have these exempt facilities within its' boundaries, but in many cases, provides additional services and support without any financial contribution.

FACTOR 2:

Penns Grove continues to host an excessive number of subsidized housing units. Penns Grove, although being less than one square mile, has within its' boundaries, five subsidized low-income housing facilities. These facilities are Penn Village Apartments, Silver Run Apartments, Mallard Park Apartments, the Penn Towers Senior Citizens Complex and Penns Grove Gardens. These facilities have a total of 448 units. The owners of these facilities are all receiving funding from the federal government, none of which are passed on to the Borough of Penns Grove. These facilities place a financial strain on the Borough's limited resources.

Example 1: The Penns Grove Housing Authority, which includes the Silver Run Apartments and the Penn Towers Senior Citizens facility, are assessed at **\$9,803,300.00**. The Authority made a payment in Lieu of Tax in the amount of **\$ 5,005.00** in 2011. Both facilities have a combined amount of 190 units, which represents a breakdown of **\$ 26.34** per unit.

Example 2: Penn Village Apartments, which has an assessed value of \$7,297,000.00, provides a payment in lieu of taxes to the Borough in the amount of \$42,500.00 per year. This payment does not in any way reflect the amount of attention that this facility receives by way of police calls, municipal court and other services.

Example 3: Mallard Park Apartments is a subsidized housing facility, with assessed value of \$1,165,800.00. The revenue received does not offset the cost associated with this property.

Subsidized Housing grossly underpays its' fair share of property taxes. In 2011, a Penns Grove homeowner with an average assessment of \$111,241.00 paid \$1,577.95 in local property taxes. Compare this with one of the subsidized housing complexes in the Borough of Penns Grove. The Penns Grove Housing Authority, a \$ 5,005.00 payment to the Municipality, despite the fact that they have over 190 apartment units in the Borough of Penns Grove. As has been stated previously, the complexes put a much greater demand on the services provided by the Borough, particularly the Police Department. The average per unit payment for an apartment unit in one of the subsidized housing complexes is shown below:

Penns Grove Housing Authority – Payment in Lieu, \$ 26.34per unit.
 The Penn Village Apartments –Payment in Lieu, \$354.17 per unit.
 Mallard Park –\$ 1,280.56 in taxes per unit.

The Social Economic factors, which result from this, place a burden on the budget. We have a police budget for 2012 in the amount of \$1,557,309.00. If we include Health Insurance in the amount of \$845,432.34, which includes \$ 431,765.27 in payment for retiree's and officers retired on disability. The grand total for the Police Department is \$2,402,741.34. This amount represents over 39% of the entire budget for the Borough of Penns Grove.

This is a constant situation and is why we must mention it in every Aid Application until the RiverWalk Project is completed, which will help off-set subsidized housing.

V-B. Alternate Eligibility

Demonstration of Revenue Loss/Substantial Cost Increase

Complete Part 2 if eligibility was not met in Part 1. Show: (1) extraordinary revenue losses (exclusive of State CMPTRA/ETR aid reductions, but inclusive of other aid, including payments under various open space State payments in lieu of tax programs), but not as the aggregate of many revenue line items; and (2) or specific, extraordinary increases in appropriations. Describe the item on the cell below each entry. If applicable, indicate in the description of the extraordinary increase in expenditure if the increase was the result of 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	2011 Value	2012 Value	Amount of Loss/Increase
Description:	N/A		

V-C. Actions to Reduce Future Need for Aid

Detail the steps the municipality is taking to reduce the need for aid in the future. Include details about long-term cost cutting and enhanced revenue plans, impact of new development, potential for grants to offset costs, and estimated short and long-term annual savings. Use additional pages if necessary.

In working with the Municipal Benefits Broker, the Municipality is able to anticipate a \$ 92,272.32 reduction in Health Benefits costs from March 1, 2012 to February 29, 2013. The Police Committee will negotiate with the unions for additional savings in Health Benefits. This can be accomplished through a sidebar agreement. The Borough's Horizon Plan will be as cost effective as the State Plan.

Mayor and Council are disappointed with the negotiations with Carneys Point concerning police services. The process is currently stalled. Mayor and Council is willing to continue negotiations, however, Carneys Point must agree to utilize the shared service process to insure that Penns Grove officers are hired in Carneys point and maintain rank and pay, so far Carneys point is not willing to agree to these terms.

Information has been submitted to Barbara Smith Duffy, Organizational Development and Shared Services Coordinator, County of Salem concerning the possibility of Police Shared Services.

Borough officials are still trying to facilitate economic revitalization through the Riverwalk project. There has been a constant emphasis for riverfront development that has been hampered by prior developers and the economy. Officials are aware that the Municipalities' goal of being self sufficient hinges on the only major area that can generate ratable, jobs and an infusion of economic growth. This is the corner stone to the restoration of Penns Grove.

V-D. Discussion of Health Benefits

If your municipality does not use the State Health Benefits Plan for health insurance, fill this section out in its entirety.

1. Identify the company that is the broker of record for health insurance and how long have they served as broker of record?

Conner Strong & Buckelew Companies, Inc. are the broker of record for health insurance. The company has served as broker of record for 20 years.

2. How much in commissions or fees does the broker of record receive from: (a) the municipality \$ N/A; and (b) the insurance company providing health benefits \$ 29,300.
3. As an attachment, have the broker list the provided coverage, and the categories and number of employees in each program. Create a side by side comparison with the State Health Benefits Plan and outline costs. **(see attached)**
4. Provide a clear and concise explanation as to why the State Health Benefits Plan is not being used and discuss the relative costs of insurance used and the State Health Benefits Plan. (It is advisable for you to share this question with your broker of record and have them fill it out.)

The State Health Benefits Plan is not being used for several reasons. First, the Borough of Penns Grove has Traditional and PPO plans that are greater in benefit as compared to the State plan, therefore, "equal to or better than" provisions of collective bargaining would be a contractual issue.

Second, from a provider disruption basis, only 66% of current providers being used by Borough employees participate with the State plan. Our experience is 85% participations deemed acceptable to avoid arbitration issues.

The final is cost analysis: Comparing the State cost to the proposed Horizon cost and factoring in Medicare costs as the State requires Parts A & B of Medicare, which the Borough plan does not, renders the plans to be comparable. The Borough of Penns Grove will also negotiate additional changes that will eliminate any savings by going to the State plan.

VI. Historical Fiscal Statistics

Item	2010	2011	Introduced Application Year
1. Property Tax/Budget Information			
Municipal tax rate	\$ 1.340	\$ 1.418	\$ 1.554
Municipal Purposes tax levy	\$ 2,407,781.00	\$ 2,537,772.98	\$ 2,785,223.59
Municipal Open Space tax levy	\$.00	\$.00	\$.00
Total general appropriations	\$ 6,795,322.07	\$ 6,300,021.43	\$ 6,013,774.23
2. Cash Status Information			
% Of current taxes collected	92.52%	90.91%	%
% Used in computation of reserve	90.00%	90.8%	90.8%
Reserve for uncollected taxes	\$ 615,552.31	\$ 579,147.98	\$ 608,508.72
Total year end cash surplus	\$ 637,642.96	\$ 315,202.14	
Total non-cash surplus	\$ 1,305.88	\$ 844.92	
Year end deferred charges	\$ 126,000.00	\$ 84,000.00	
3. Assessment Data			
Assessed value (as of 7/1)	\$ 179,563,917	\$ 178,905,801	\$ 179,199,850
Average Residential Assessment	\$ 111,237	\$ 111,241	\$ 111,239
Number of tax appeals granted	6	9	
Amount budgeted for tax appeals	\$ 0	\$ 0	\$ 0
Refunding bonds for tax appeals	\$ 0	\$ 0	\$ 0
4. Full time Staffing Levels			
Uniformed Police - Staff Number	26	28	29
Total S&W Expenditures	\$ 1,655,181.78	\$ 1,481,109.26	\$ 1,479,309.00
Uniformed Fire - Staff Number	N/A	N/A	N/A
Total S&W Expenditures	\$ N/A	\$ N/A	\$ N/A
All Other Employees - Staff Number	43	25	25
Total S&W Expenditures	\$ 541,853.59	\$ 390,952.31	\$ 417,494.00
5. Impact of Proposed Tax Levy			
			Amount
Current Year Taxable Value			179,199,850
Introduced Tax Levy			2,785,223.59
Proposed Municipal Tax Rate	1.554	Average Res. Value (#4 above)	111,239.00
Current Year Taxes on Average Residential Value (#4 above)			1,728.94
Prior Year Taxes on Average Residential Value			1,577.95
Proposed Increase in average residential taxes			150.98

VII. Application Year Budget Information

A. Year of latest revaluation/reassessment

2009

B. Proposed Budget – Appropriation Cap Information

- Item**
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 use of a waiver to exceed the appropriation cap?
If YES, amount:

	Yes	No
	X	
3.5%		
\$294,668.87		
		X
\$551,291.28		
		X
\$		

C. List the five largest item appropriation increases:

Appropriation	Prior Year Actual	Application Year Proposed	\$ Amount of Increase
Other Insurance Plans	\$ 385,892.00	\$ 417,090.00	\$ 31,198.00
Reserve for Uncollected Taxes	579,147.98	608,508.62	29,360.64
Recreation Services & Programs	6,000.00	10,000.00	4,000.00
Fire Hydrant Services	29,275.00	32,000.00	2,725.00
Safety Coordinator	620.00	3,000.00	2,380.00

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

Department/Agency	Position	Number	Dollar Amount
	N/A		

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					
Second year					
Third year					

*** As stated in prior application, significant reduction in Aid cannot be realized until Riverfront Development or Police Service Consolidation.**

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?	X	
6. Does the municipality operate the general 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 No, list those uncorrected as an appendix.		X

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	SHBP		X

C. 1) Salary and Employee Contract Information (when more than one bargaining unit for each category, use average):

Question	Police	Fire	Other Contract	Non-Contract
Year of last salary increase	2012	N/A	Dispatchers 2012	Only Statutory 2011
Average percentage increase	2 %	N/A %	2 %	2 %
Last contract settlement date				
Contract expiration date	2013	N/A	2013	

2) Explain if any of the following actions have been taken or are under consideration for the Application Year:

Action	Police	Fire	Other Contract	Non-Contract
Furloughs (describe below)				
Furloughs have been avoided through prior year's layoffs and reduced hours for certain departments.				
Wage Freezes (describe below)				
There has been a wage freeze for non-contractual employees since 2009.				
Layoffs (describe below)				
In prior years the Borough has layoff employees and reduce the workforce through inter local service agreements.				

D. Tax Enforcement Practices:

Question	Yes	No
1. Does the municipality use the accelerated tax sale program?		X
2. When was the last foreclosure action taken or tax assignment sale held: Date:	3/2008	
3. On what dates were tax delinquency notices sent out in 2011: Date:	2/14,2/24,3/24,5/14, 8/13,9/7,11/22,11/29	
4. Date of last tax sale: Date:	4/22/11	

E. Specialized Service Delivery:

If the answer to either question is "Yes," provide (as an appendix) a cost justification of 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:

Prior Year:	\$ 4,111.93	Last Year:	\$ 2,532.06	Anticipated Application Year:	\$ 2,000.00
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2. List the instruments in which idle funds are invested:

Various Operating and Trust Checking Accounts	

3. What was the average return on investments during CY 2011?

.28 %

4. When was the last time fee schedules were reviewed and updated?

2010 Yard Sale Permits and Liquor Licenses

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
Penns Grove Police Association	2013	
Penns Grove Police Dispatchers	2013	
Penns Grove Police Chief	2011	Police Committee to set meetings.

IX-C. Evaluate existing local revenues, as to whether or not the rates or collections can be increased or imposed, and if so, how changes will be implemented; i.e., recreation fees, utility fees, land use fees, construction, housing, and fire code.

Local Revenues and services provided through the General/Current Fund	Check if services is provided	Are fees charged to cover the costs of the program?	If fees do not cover costs, what is the amount of subsidy?	If there is a subsidy, explain why fees cannot be increased to reduce or eliminate subsidy.
Recreation programs	<input checked="" type="checkbox"/>	No		Social Economical Conditions, Council believes that in providing program helps curb mischief.
Sewer Fees	<input type="checkbox"/>			
Water Fees	<input type="checkbox"/>			
Swimming Pool	<input type="checkbox"/>			
Uniform Construction Code	<input checked="" type="checkbox"/>	No		Construction Code Official to reevaluate fee schedule.
Uniform Fire Code	<input type="checkbox"/>			
Land Use Fees	<input checked="" type="checkbox"/>	No		Fees were last updated in 2008 to help defray cost.
Parking Fees	<input type="checkbox"/>			
Beach Fees	<input type="checkbox"/>			
Insert other local fees below:	<input checked="" type="checkbox"/>			
Land Lord License Fee (Other Construction Code Functions)		Yes		

Section XI – Impact of Limited or No Aid Award

Describe in complete detail the impact if aid is not granted for the current fiscal year; **this priority setting requires that the municipality will maintain a minimum level of essential services.** 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 one that the municipality is committing to make if they do not receive aid.**

Rank Order	Department	# of Layoffs	Effective Date	2011 Full Time Staffing	2012 Full Time Staffing	\$ Amount to be Saved
	As stated in prior application Limited or No Aid would have such a significant impact, all of the department will be affected. The Municipality will not be able to absorb the lost of Transitional Aid at this time.					

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

Rank Order	Service	Cost Savings	Impact on Services
	As stated in prior application all services will be effected		

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 Memorandum of Understanding 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 Local Government Services 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 Division staff.	X	
3. Enter into a Memorandum of Understanding and comply with all its provisions, without exception.	X	

XIII. Certification of Past Compliance for Municipalities Currently Operating Under a Transitional Aid MOU:

The undersigned certify that the municipality has complied with all the conditions and requirements of the 2011MOU conditions, including, but not limited to, the following: submission of a Transition Plan, adoption of a pay to play ordinance, receipt of signed approval forms as required prior to hiring personnel and contracting with professional service vendors.

Mayor: *John Washington* Date: 2/29/12
 Chief Financial Officer: *[Signature]* Date: 2/29/12
 Chief Administrative Officer: _____ Date: _____

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 placed the names of all current civil service employees in NJ "CAMPS".

Human Resources or Personnel Director: _____ Date: _____
 Chief Financial Officer: _____ Date: _____

XV. CERTIFICATION OF APPLICATION FOR TRANSITIONAL AID

The undersigned acknowledges the foregoing requirements with which the municipality must comply in order to receive aid as outlined above. In addition, included with this application is a copy (printed or electronic) of the budget documentation that supports the budget calculation that was provided to the governing body.

Mayor: *John Washington* Date: 2/29/12
 Chief Financial Officer: *[Signature]* Date: 2/29/12
 Chief Administrative Officer: _____ Date: _____

APPENDIX - VIII. FINANCIAL PRACTICES

The following are uncorrected prior year's audit findings:

1. **Finding No. 2009-03:** The Borough did not obtain actuarial valuation of its Other Post Employment Benefits (OPEB) required for footnote disclosure. For CY 2010, the Borough provided its employees and retirees, health insurance coverage through Horizon Blue Cross and Blue Shield of New Jersey.

MAR - 1 2012

Penns Grove Borough

Medical PPO - Horizon Blue Cross Blue Shield of New Jersey: PPO

Benefit Summary Description

Active Employees (Subgroup 01)

	In-Network Benefits	Out-of-Network Benefits
General Plan Information		
Annual Deductible/Individual	\$0	\$100
Annual Deductible/Family	\$0	2x individual deductible
Coinsurance	90%	70%
Office Visit/Exam	\$5 copay	70% after deductible
Outpatient Specialist Visit		
Annual Out-of-Pocket Limit/Individual	\$5,000	N/A
Annual Out-of-Pocket Limit/Family	\$10,000	N/A
Deductible Included in Out-of-Pocket Limits		
Lifetime Plan Maximum	Unlimited	Unlimited
Outpatient Services		
Preventive Services		
Well-Child Care	\$5 copay \$300 maximum per child per calendar year	70% no deductible
Immunizations	\$5 copay	70% no deductible
Well Woman Exams	\$5 copay	70% no deductible
Mammograms	100% after \$5 copay	70% no deductible
Adult Periodic Exams with Preventive Tests	\$5 copay	70% no deductible
Diagnostic X-Ray and Lab Tests	90%	70% after deductible
Maternity Care		
Pregnancy and Maternity Care (Pre-Natal Care)	\$5 copay first visit only	70% after deductible
Inpatient Hospital Services		
Inpatient Hospitalization	90%	70% after deductible
Pre-Authorization of Services Required		
Semi-Private Room & Board; Including Services and Supplies	90%	70% after deductible
Surgical Services		
Outpatient Facility Charge	90%	70% after deductible
Emergency Services		
Emergency Room	90% after \$25 copay	90% after \$25 copay
Copay/Deductible Waived if Admitted		
Urgent Care		
Urgent Care Facility		
Mental Health Benefits		
Inpatient Care	90% 16 days maximum per benefit period	70% after deductible; 16 days maximum per benefit period
Outpatient Care	50% after deductible (limited to 50 visits per benefit period)	50% after deductible (\$40 maximum allowance per visit)
Substance Abuse		
Inpatient Care		
Inpatient Hospitalization	90% 16 day maximum per benefit period	70% after deductible; 16 days maximum per benefit period

Penns Grove Borough

Medical PPO - Horizon Blue Cross Blue Shield of New Jersey: PPO

Benefit Summary Description

Active Employees (Subgroup 01)

Outpatient Care

Outpatient Services

50% after deductible; Limited to 50 visits per benefit period

50% after deductible; \$40 maximum allowance per visit; Limited to 50 visits per benefit period

Other Services and Supplies

Durable Medical Equipment & Prosthetic Devices

80% after deductible

80% after deductible

Home Health Care

90% 90 visits, up to \$4500 per benefit period, with direct admission

70% after deductible; 90 visits, up to \$4500 per benefit period, with direct admission

Skilled Nursing or Extended Care Facility

90% 120 days per benefit period, following a 3 or more day prior hospital stay

70% after deductible; 120 days per benefit period, following a 3 or more day prior hospital stay

Hospice Care

90% eligibility requires a confirmed diagnosis of terminal illness with a life expectancy of 6 months or less

70% after deductible; eligibility requires a confirmed diagnosis of terminal illness with a life expectancy of 6 months or less

Chiropractic Services

\$5 copay 30 visit maximum per benefit period

70% after deductible; 30 visit maximum per benefit period

Acupuncture

Infertility

Diagnosis

90%

70% after deductible

Treatment

90% (4 egg retrievals per lifetime)

70% after deductible (4 egg retrievals per lifetime)

Outpatient Rehabilitative Therapy Services

Physical

90% 30 visit maximum per benefit period

70% after deductible; 30 visit maximum per benefit period

Occupational

90% 30 visit maximum per benefit period

70% after deductible; 30 visit maximum per benefit period

Speech

90% 30 visit maximum per benefit period

70% after deductible; 30 visit maximum per benefit period

The above information is intended as a benefit summary only. It does not include all of the benefit provisions, limitations and qualifications. If this information conflicts in any way with the contract, the contract will prevail.

Penns Grove Borough

Medical PPO - Horizon Blue Cross Blue Shield of New Jersey: PPO

Benefit Summary Description	Police (Subgrp 05) In-Network Benefits	Out-of-Network Benefits
General Plan Information		
Annual Deductible/Individual	\$0	\$100
Annual Deductible/Family	\$0	2x individual deductible
Coinsurance	80%	60%
Office Visit/Exam	\$5 copay	60% after deductible
Outpatient Specialist Visit		
Annual Out-of-Pocket Limit/Individual	\$5,000	N/A
Annual Out-of-Pocket Limit/Family	\$10,000	N/A
Deductible Included in Out-of-Pocket Limits		
Lifetime Plan Maximum	Unlimited	Unlimited
Outpatient Services		
Preventive Services		
Well-Child Care	\$5 copay \$300 maximum per child per calendar year	60% no deductible
Immunizations	\$5 copay	60% no deductible
Well Woman Exams	\$5 copay	60% no deductible
Mammograms	100% after \$5 copay	60% no deductible
Adult Periodic Exams with Preventive Tests	\$5 copay	60% no deductible
Diagnostic X-Ray and Lab Tests	80%	60% after deductible
Maternity Care		
Pregnancy and Maternity Care (Pre-Natal Care)	\$5 copay first visit only	60% after deductible
Inpatient Hospital Services		
Inpatient Hospitalization	80%	60% after deductible
Pre-Authorization of Services Required		
Semi-Private Room & Board; Including Services and Supplies	80%	60% after deductible
Surgical Services		
Outpatient Facility Charge	80%	60% after deductible
Emergency Services		
Emergency Room	80% after \$25 copay	80% after \$25 copay
Copay/Deductible Waived if Admitted		
Urgent Care		
Urgent Care Facility		
Mental Health Benefits		
Inpatient Care	80% 16 days maximum per benefit period	60% after deductible; 16 days maximum per benefit period
Outpatient Care	50% after deductible (limited to 50 visits per benefit period)	50% after deductible (\$40 maximum allowance per visit)

Penns Grove Borough

Medical PPO - Horizon Blue Cross Blue Shield of New Jersey: PPO

Benefit Summary Description	Police (Subgrp 05)	
Inpatient Care		
Inpatient Hospitalization	80% 16 day maximum per benefit period	60% after deductible; 16 days maximum per benefit period
Inpatient Detoxification Services		
Outpatient Care		
Outpatient Services	50% after deductible; Limited to 50 visits per benefit period	50% after deductible; \$40 maximum allowance per visit; Limited to 50 visits per benefit period
Outpatient Detoxification Services		
Other Services and Supplies		
Durable Medical Equipment & Prosthetic Devices	80% after deductible	80% after deductible
Home Health Care	80% 90 visits, up to \$4500 per benefit period, with direct admission	60% after deductible; 90 visits, up to \$4500 per benefit period, with direct admission
Skilled Nursing or Extended Care Facility	80% 120 days per benefit period, following a 3 or more day prior hospital stay	60% after deductible; 120 days per benefit period, following a 3 or more day prior hospital stay
Hospice Care	80% eligibility requires a confirmed diagnosis of terminal illness with a life expectancy of 6 months or less	60% after deductible; eligibility requires a confirmed diagnosis of terminal illness with a life expectancy of 6 months or less
Chiropractic Services	\$5 copay 30 visit maximum per benefit period	60% after deductible; 30 visit maximum per benefit period
Acupuncture		
Infertility		
Diagnosis	80%	60% after deductible
Treatment	80% (4 egg retrievals per lifetime)	60% after deductible (4 egg retrievals per lifetime)
Outpatient Rehabilitative Therapy Services		
Physical	80% 30 visit maximum per benefit period	60% after deductible; 30 visit maximum per benefit period
Occupational	80% 30 visit maximum per benefit period	60% after deductible; 30 visit maximum per benefit period
Speech	80% 30 visit maximum per benefit period	60% after deductible; 30 visit maximum per benefit period

The above information is intended as a benefit summary only. It does not include all of the benefit provisions, limitations and qualifications. If this information conflicts in any way with the contract, the contract will prevail.

Penns Grove Borough

Medical PPO - Horizon Blue Cross Blue Shield of New Jersey: PPO

Benefit Summary Description

Retiree's (Subgrp 03)

	In-Network Benefits	Out-of-Network Benefits
General Plan Information		
Annual Deductible/Individual	\$0	\$100
Annual Deductible/Family	\$0	2x individual deductible
Coinsurance	100%	80%
Office Visit/Exam	\$5 copay	70% after deductible
Outpatient Specialist Visit		
Annual Out-of-Pocket Limit/Individual	\$5,000	N/A
Annual Out-of-Pocket Limit/Family	\$10,000	N/A
Deductible Included in Out-of-Pocket Limits		
Lifetime Plan Maximum	Unlimited	Unlimited
Outpatient Services		
Preventive Services		
Well-Child Care	\$5 copay \$300 maximum per child per calendar year	80% no deductible
Immunizations	\$5 copay	80% no deductible
Well Woman Exams	\$5 copay	80% no deductible
Mammograms	100% after \$5 copay	80% no deductible
Adult Periodic Exams with Preventive Tests	\$5 copay	80% no deductible
Diagnostic X-Ray and Lab Tests	100%	80% after deductible
Maternity Care		
Pregnancy and Maternity Care (Pre-Natal Care)	\$5 copay first visit only	80% after deductible
Inpatient Hospital Services		
Inpatient Hospitalization	100%	80% after deductible
Pre-Authorization of Services Required		
Semi-Private Room & Board; Including Services and Supplies	100%	80% after deductible
Surgical Services		
Outpatient Facility Charge	100%	80% after deductible
Emergency Services		
Emergency Room	100% after \$25 copay	100% after \$25 copay
Copay/Deductible Waived if Admitted		
Urgent Care		
Urgent Care Facility		
Mental Health Benefits		
Inpatient Care	100% 16 days maximum per benefit period	80% after deductible; 16 days maximum per benefit period
Outpatient Care	50% after deductible (limited to 50 visits per benefit period)	50% after deductible (\$40 maximum allowance per visit)

Penns Grove Borough

Medical PPO - Horizon Blue Cross Blue Shield of New Jersey: PPO

Benefit Summary Description

Retiree's (Subgrp 03)

Substance Abuse

Inpatient Care

Inpatient Hospitalization

100% 16 day maximum per benefit period

80% after deductible; 16 days maximum per benefit period

Inpatient Detoxification Services

Outpatient Care

Outpatient Services

50% after deductible; Limited to 50 visits per benefit period

50% after deductible; \$40 maximum allowance per visit; Limited to 50 visits per benefit period

Outpatient Detoxification Services

Other Services and Supplies

Durable Medical Equipment & Prosthetic Devices

80% after deductible

80% after deductible

Home Health Care

100% 90 visits, up to \$4500 per benefit period, with direct admission

80% after deductible; 90 visits, up to \$4500 per benefit period, with direct admission

Skilled Nursing or Extended Care Facility

100% 120 days per benefit period, following a 3 or more day prior hospital stay

80% after deductible; 120 days per benefit period, following a 3 or more day prior hospital stay

Hospice Care

100% eligibility requires a confirmed diagnosis of terminal illness with a life expectancy of 6 months or less \$5 copay 30 visit maximum per benefit period

80% after deductible; eligibility requires a confirmed diagnosis of terminal illness with a life expectancy of 6 months or less

Chiropractic Services

80% after deductible; 30 visit maximum per benefit period

80% after deductible; 30 visit maximum per benefit period

Acupuncture

Infertility

Diagnosis

100%

80% after deductible

Treatment

100% (4 egg retrievals per lifetime)

80% after deductible (4 egg retrievals per lifetime)

Outpatient Rehabilitative Therapy Services

Physical

100% 30 visit maximum per benefit period

80% after deductible; 30 visit maximum per benefit period

Occupational

100% 30 visit maximum per benefit period

80% after deductible; 30 visit maximum per benefit period

Speech

100% 30 visit maximum per benefit period

80% after deductible; 30 visit maximum per benefit period

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Penns Grove Borough

Medical Indemnity - Horizon Blue Cross Blue Shield of New Jersey: Trad

Benefit Summary Description

Police Retiree's (Subgrp 04)

Schedule of Benefits

General Plan Information

Annual Deductible/Individual	\$100 (Supplemental)
Annual Deductible/Family	\$300 (Supplemental)
Coinsurance	100% (80% Supplemental)
Office Visit/Exam	80% after deductible
Outpatient Specialist Visit	
Annual Out-of-Pocket Limit/Individual	\$2,000 (Supplemental only)
Annual Out-of-Pocket Limit/Family	\$4,000 (Supplemental only)
Deductible Included in Out-of-Pocket Limits	No
Lifetime Plan Maximum	Unlimited

Outpatient Services

Preventive Services

	100% with \$300 maximum per child per calendar year
Well-Child Care	100%
Immunizations	100%
Well Woman Exams	100%
Mammograms	100%
Adult Periodic Exams with Preventive Tests	100%
Diagnostic X-Ray and Lab Tests	100%

Maternity Care

Pregnancy and Maternity Care (Pre-Natal Care)	80% after deductible
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Inpatient Hospital Services

Inpatient Hospitalization	100%
Pre-Authorization of Services Required	
Semi-Private Room & Board; Including Services and Supplies	100%

Surgical Services

Outpatient Facility Charge	100%
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Emergency Services

Emergency Room	80% after deductible
Copay/Deductible Waived if Admitted	

Urgent Care

Urgent Care Facility	
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Mental Health Benefits

Inpatient Care	100% for the first 30 hospital days and 30 par physicians' visits; 80% after deductible for all other days/visits; up to a maximum of 30 days per benefit period
Outpatient Care	50% after deductible; limited to 104 visits per benefit period

Penns Grove Borough

Medical Indemnity - Horizon Blue Cross Blue Shield of New Jersey: Trad

Benefit Summary Description

Police Retiree's (Subgrp 04)

Substance Abuse

Inpatient Care

Inpatient Hospitalization

Inpatient Detoxification Services

Outpatient Care

Outpatient Services

Outpatient Detoxification Services

Other Services and Supplies

Durable Medical Equipment & Prosthetic Devices

Home Health Care

Skilled Nursing or Extended Care Facility

Hospice Care

Chiropractic Services

Acupuncture

Infertility

Diagnosis

Treatment

Outpatient Rehabilitative Therapy Services

Physical

Occupational

Speech

100% for the first 30 hospital days and 30 par physicians' visits; 80% after deductible for all other days/visits; up to a maximum of 30 days per benefit period

50% after deductible; limited to 104 visits per benefit period

80% after deductible
100% (Direct Admission. 2 days reduce available inpatient days by 1)
100% (Direct Admission. 2 days reduce available inpatient days by 1)
100% eligibility requires a confirmed diagnosis of terminal illness with a life expectancy of 6 months or less

80% after deductible
80% after deductible (for pain management & anesthesia)

80% after deductible
80% after deductible

80% after deductible
80% after deductible
80% after deductible

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Penns Grove Borough

Medical Indemnity - Horizon Blue Cross Blue Shield of New Jersey: Trad

Benefit Summary Description	Retiree's (Subgrp 00)
Schedule of Benefits	
General Plan Information	
Annual Deductible/Individual	\$100
Annual Deductible/Family	\$300
Coinsurance	80%
Office Visit/Exam	80% after deductible
Outpatient Specialist Visit	80% after deductible
Annual Out-of-Pocket Limit/Individual	\$400
Annual Out-of-Pocket Limit/Family	\$800
Deductible Included in Out-of-Pocket Limits	No
Lifetime Plan Maximum	Unlimited
Outpatient Services	
Preventive Services	
Well-Child Care	100%
Immunizations	100%
Well Woman Exams	100%
Mammograms	100%
Adult Periodic Exams with Preventive Tests	100%
Diagnostic X-Ray and Lab Tests	80% after deductible
Maternity Care	
Pregnancy and Maternity Care (Pre-Natal Care)	80% after deductible
Inpatient Hospital Services	
Inpatient Hospitalization	80% after deductible
Pre-Authorization of Services Required	
Semi-Private Room & Board; Including Services and Supplies	80% after deductible
Surgical Services	
Outpatient Facility Charge	80% after deductible
Emergency Services	
Emergency Room	80% after deductible
Copay/Deductible Waived if Admitted	
Urgent Care	
Urgent Care Facility	
Mental Health Benefits	
Inpatient Care	80% after deductible; 30 day maximum per benefit period
Outpatient Care	50% after deductible; unlimited visits
Substance Abuse	
Inpatient Care	
Inpatient Hospitalization	80% after deductible; 30 day maximum per benefit period
Inpatient Detoxification Services	
Outpatient Care	

Penns Grove Borough

Medical Indemnity - Horizon Blue Cross Blue Shield of New Jersey: Trad

Benefit Summary Description	Retiree's (Subgrp 00)
Outpatient Services	50% after deductible; unlimited visits
Outpatient Detoxification Services	
Other Services and Supplies	
Durable Medical Equipment & Prosthetic Devices	80% after deductible
Home Health Care	80% after deductible; 90 visits, up to \$4500 per benefit period, direct admission
Skilled Nursing or Extended Care Facility	80% after deductible; 120 days per benefit period, following a 3 or more day prior hospital stay
Hospice Care	80% after deductible; unlimited
Chiropractic Services	80% after deductible; unlimited
Acupuncture	
Infertility	
Diagnosis	80% after deductible
Treatment	80% after deductible; 4 egg retrievals per lifetime
Outpatient Rehabilitative Therapy Services	
Physical	80% after deductible; unlimited
Occupational	80% after deductible; unlimited
Speech	80% after deductible; unlimited

The above information is intended as a benefit summary only. It does not include all of the benefit provisions, limitations and qualifications. If this information conflicts in any way with the contract, the contract will prevail.