

Transitional Aid Application for Calendar Year 2017
Division of Local Government Services
Department of Community Affairs

General Instructions: This application must be submitted in its entirety by March 24, 2017 for funding consideration under this program. Information contained in the application is subject to independent verification by the Division. Refer to Local Finance Notice 2017-4 when preparing this application for specific instructions and definitions, and review the Submission Checklist on Page 7 of the Local Finance Notice.

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:	slabb@pennsgrove-nj.org

I. Aid History

List amount of Transitional Aid received for the last three years, if any:

CY 2016	CY 2015	CY 2014
\$ 358,000.00	\$ 280,000.00	\$ 600,000.00

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:	\$ 356,000.00
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If not seeking a decrease, a letter from the Mayor is required. See Local Finance Notice 2017-4.

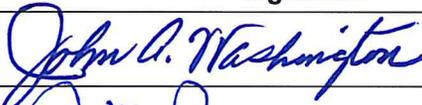
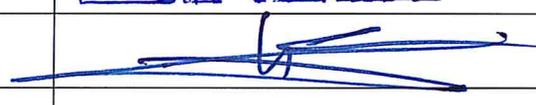
III. Submission Requirements

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
2016 Annual Financial Statement	2/10/2017
2015 Annual Audit	11/1/2016
2015 Corrective Action Plan	1/13/2017
Application Year Introduced Budget	3/21/2017
Budget Documentation Submitted to Governing Body	3/07/2017

IV. Application Certification

The undersigned herewith certify that they he or she has reviewed this application and, to his or her knowledge, believe the contents to be accurate true and represent 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		3/23/17
Governing Body Presiding Officer		2-23-17
Chief Financial Officer		3/23/17
Chief Administrative Officer		

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 help justify the need of awarding Transitional Aid in 2017, some of these are continuing conditions mentioned in prior applications which are updated. Mayor and Council entered into a redevelopment agreement with Riverwalk Junction, LLC and are hopeful that the developers' visions of building a townhome community in conjunction with an over 55 apartment complex will come to fruition.

1. Social Economical factors as stated in Census.
2. The effect of high percentage of properties that are non-ratables on a small Municipality that is less than one square mile.
3. The effect of subsidized Public Housing on the Borough's tax base.
4. Seaboard Landing vs. Penns Grove Tax Appeals Judgement for Block 57 Lot 1 which resulted in a credit due to the Taxpayer in the **amount of \$ 339,475.29**.
5. Reduction of Ratables from October 1, 2015 in the amount of \$ 171,688,600.00 to October 1, 2016 to the amount of \$ 170,375,500.00, which is a decrease of \$ **1,313,500.00** in Ratables.

FACTOR 1:

It is difficult to offset revenue decreases or 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, Estimated Per capital income for 2015 is \$ **16,989.00** versus the State average of \$ **39,500.00**; 2014 Medium household income is \$ **32,214.00** versus the State average of \$ **72,062.00**. Persons below Poverty (2014) are **28.70** % of the population versus the State average of **10.70** %. 2015 Current Unemployment rate is **9.8** % vs State average of **5.6**%, as the data suggest, the Borough of Penns Grove qualifies as distressed. See below comparison to state average.

Penns Grove compared to New Jersey state average:

- **Median household income** significantly below state average.
- **Median house value** significantly below state average.
- **Median age** significantly below state average.
- **Renting percentage** above state average.

- **Length of stay since moving in** significantly above **state average**.
- **House age** above **state average**.
- **Percentage of population with a bachelor's degree or higher** significantly below **state average**.

Read more: <http://www.city-data.com/city/Penns-Grove-New-Jersey.html#ixzz3TEoNCcP1>

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.

FACTOR 2:

The Borough also suffers from a high percentage of properties, which are non-ratables.

As of 2017, it is estimated that **36.94 %** of the total value of land and improvement (property) within the Borough of Penns Grove are non-taxable. Below is a sample listing of properties, for full listing see attached **Appendix A**:

A. Government, Schools and 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 Public Works building
7. Fire Department building.
8. Penns Grove Sewerage Authority.
9. United State Post Office

B. Non-profit Organizations and Clubs:

1. Society M SS Delle Grazia.
2. Society of M.S.S. Della Grazio
3. The American Legion.
4. Tri County Community Action Committee.
5. Howard Avenue Mental Health Facility Halfway House.
6. Two separate Elk Lodge facilities
7. Salem County Counseling Service Inc.
8. Penns Grove Historical Society.
9. Puerto Rican Action Community of Salem County.
10. Pride of Penns Grove Lodge 1342.

11. New Jersey Housing & Mortgage Finance Agency.
12. Travelers Temple Association.

C. Churches:

The Borough of Penns Grove presently has eleven (19) active churches within its' boundaries that own twenty-five (24) properties, all of which are exempt from taxes. The Borough surely does not object to having these religious institutions, but this gives a clear picture of just how severe the non-ratable situation is for the Borough.

In summary, when considering the size of the Borough of Penns Grove, and the number of non-ratable properties, there is a tremendous burden placed on the tax payers. 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 3:

Penns Grove continues to host an excessive number of subsidized housing units. 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 continue to 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**. No payment was received in 2016. Both facilities have a combined total of 190 units.

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 2016, a Penns Grove homeowner with an average assessment of **\$108,463.00** paid **\$1,901.36** in local property taxes. Compare this with one of the subsidized housing complexes in the Borough of Penns Grove. The Penns Grove Housing Authority, who has not made a 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 place 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, based on Local Taxes are shown below:

Penns Grove Housing Authority –\$.00 per unit payment
The Penn Village Apartments –Payment in Lieu, \$ 354.17 per unit.
Mallard Park –\$ 638.64 in local taxes per unit.

The Social Economic factors, which result from this place a burden on the budget. We have a police budget for 2017 in the amount of \$1,387,970.34 for Salaries, Wages and Other Expenses. Factoring in \$ 658,541.87 for Health Insurance Payments, which includes \$ 402,126.27 in payments for retiree's and officers retired on disability. The grand total for the Police Department is \$ 2,046,512.21. This amount represents over 31.72 % of the entire budget for the Borough of Penns Grove.

This is a constant situation and is the reason for mentioning it in every Aid Application until the RiverWalk Project or shared police services are completed, which will help off-set subsidized housing in the Borough of Penns Grove.

FACTOR 4:

In the case of Seaboard Landing vs. Penn Grove tax appeals on Property Block 57: Lot 1, the Taxpayer is due a credit for the following years; **2007-2014** in the amount of \$ **339,475.29**. The Borough and AGR agreed that any funds due to it from Tax Appeal Judgement shall be paid back at an amount of no more than 20% of the Taxes due for any particular year. The Balance of the Judgement as of 12/31/2016 is \$ 271,580.23. The Budget Appropriation for 2017 is \$ 54,316.05 (See attached **Appendix B** for information concerning tax appeal judgement and **Appendix C** tax appeal calculation.)

FACTOR 5:

The reduction on Ratables from October 1, 2015 to October 1, 2016 in the amount of \$ 1,313,500.00 causes the Municipality local tax revenue to decrease \$ 23,025.66 (based on 2016 local tax rate). Since 36.94% of the properties in the Borough of Penns Grove are Non-Exempt Properties, it becomes a burden for the remaining taxpayers to shoulder the loss of tax revenue.

V-B. Demonstration of Revenue Loss/Substantial Cost Increase

Show: (1) specific, extraordinary revenue losses, but not as the aggregate of many revenue line items; and (2) specific, extraordinary increases in appropriations, but not as the aggregate of many appropriation line items. 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	2016 Value	2017 Value	Amount of Loss/Increase
	\$ 826,925.97	\$ 883,670.26	\$ 56,744.29
Description:	Reserve for Uncollected Taxes		
	\$ 550,000.00	\$ 500,000.00	\$ 50,000.00
Description:	Receipts from Delinquent Taxes		
	\$ 551,703.00	\$ 596,722.00	\$ 45,019.00
Description:	Inter Local Service Agreement Public Works		
	\$ 90,000.00	\$ 69,000.00	\$ 21,000.00
Description:	Other License Fees (Employee resigned, new employee started issuing licenses in August.)		
Description:			
Description:			
Description:			

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. (Items included in a Transition Plan submitted by a current recipient need not be repeated here.)

The Borough of Penns grove entered into an Interlocal Service Agreement with the County of Salem for Dispatching Services, which reduced personnel costs.

As you are aware the amount Penns Grove is paying for the Inter Local Service Agreement is the highest than that of other municipalities that is serviced by the County.

- Penns Grove Borough \$ 155,000.00 per year, in year 2020 decreases to \$ 75,000.00
- Salem City: \$ 129,010.00 per year, Carneys Point Township and Pennsville Township will pay \$ 149,375.00 in 2017, with a sliding decreasing scale per year. In 2020 payment is \$ 76,480.00.

The Borough had entered into a redevelopment agreement with Riverwalk Junction, L.L.C. The Riverwalk Junction is working to identify investors to build a townhome community and over 55 apartment complex (See attached **Appendix D** for more detailed information). Officials are aware that the Municipalities goal of becoming self-sufficient hinges on the only major area that can generate ratables, jobs and an infusion of economic growth as the Riverfront is the corner stone for economic development in Penns Grove.

First round of in rem tax sale foreclosures that were started in 2014 were just completed. Enclosed are three foreclosure complaints (See attached **Appendix E1, E2 and E3**). In addition, the Borough is working on a new list of 71 tax sale foreclosures (see attached **Appendix F**). For detail description on In Rem Foreclosure (See attached **Appendix G**).

Municipal Court debt collection services was implemented by Professional Accounts Management, LLC, in 2014. Total fees collected to date is \$ 16,300.00 (See attached **Appendix H**).

Officials are making visual survey of Borough owned properties in the hopes of selling said properties and offering non-conforming land to contiguous property owners first. The goal to put properties back onto the tax base.

Per Borough Ordinance, officials will enforce Vacant Property Registration, this will promote property maintenance and payment of outstanding taxes. (See attached **Appendix I** for Vacant Property Registration Form and **Appendix J** for a listing of Vacant Properties).

V-D. Discussion of Health Benefits

Skip this section if using SHBP. If not using SHBP, explain why the health benefit plan being used is cheaper, or what reasons exist for failing to move to SHBP. Additionally, list all brokers (primary broker or risk manager, all co-brokers, and sub-brokers) together with their compensation for the current and prior two fiscal years. Compensation must be disclosed in this section whether provided directly by the municipality or as a commission from the insurance provider. It is the municipality's right, and obligation, to determine whether the broker is compensated with commission in order to fully complete this section. If commissions are being earned, provide both how the commission is calculated (percentage of premium or self-insurance) and the actual \$ value of the commission received in each year.

1. Identify the company that is the broker of record for health insurance.

Conner Strong & Buckelew Companies, Inc. are the broker of record for health insurance.

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 3.69% for Medical and 3.09% for RX. The Actual value of commission for the last three years are:

- March 2015-February 2016 \$ 25,003.21
- March 2016-February 2017 \$ 25,318.70
- March 2017-February 2018 \$ 28,574.66

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 **Appendix K**)
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.)

Comparing the State cost to the proposed Horizon cost and factoring in Medicare costs as the State requires Parts A & B of Medicare, the Borough of Penns Grove is saving an estimated **\$ 160,979.78** by not converting over to the State Plan for time period of 3/1/2017-2/28/2018.

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% participation deemed acceptable to avoid arbitration issues.

Third, 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.

VI. Historical Fiscal Statistics

Item	2015	2016	Introduced Application Year
1. Property Tax/Budget Information			
Municipal tax rate	\$ 1.648	\$ 1.753	\$ 1.863
Municipal Purposes tax levy	\$ 2,899,834.21	\$ 3,011,387.44	\$ 3,173,363.46
Municipal Open Space tax levy	\$.00	\$.00	\$ 0
Total general appropriations	\$ 6,358,747.41	\$ 6,428,668.32	\$ 6,451,956.21
2. Cash Status Information			
% Of current taxes collected	86.57 %	87.38 %	%
% Used in computation of reserve	88.37 %	87.68 %	87.30 %
Reserve for uncollected taxes	\$ 778,628.00	\$ 826,925.97	\$ 883,670.26
Total year end cash surplus	\$ 77,156.90	\$ 70,012.30	
Total non-cash surplus	\$ 1,344.90	\$ 844.92	
Year end deferred charges	\$.00	\$.00	
3. Assessment Data			
Assessed value (as of 1/10)	\$ 175,855,200	\$ 171,688,600	\$ 170,375,100
Average Residential Assessment	\$ 109,330.00	\$ 108,463.00	\$ 107,944.00
Number of tax appeals granted	16	25	
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	15 FT Police, 1 PT Police, 4 FT Dispatchers, 1 PT Disp. , 1 PT Clerk, 2 Crossing Guards	15 FT Police, 1 PT Police, 4 FT Dispatchers, 1 PT Disp. , 1 PT Clerk, 2 Crossing Guards, , 2 PT Booking Clerks	15 FT Police, 1 FT Clerk, 2 Crossing Guards, 2 PT Booking Clerks
Total S&W Expenditures	\$ 1,493,128.71	\$ 1,503,864.28	\$ 1,309,970.34
Uniformed Fire - Staff Number	N/A	N/A	N/A
Total S&W Expenditures	\$.00	\$.00	\$.00
All Other Employees - Staff Number	23	24	24
Total S&W Expenditures	\$ 357,648.39	\$ 373,900.16	\$ 441,384.00

5. Impact of Proposed Tax Levy

			Amount
Current Year Taxable Value			170,375,100
Introduced Tax Levy			3,173,363.46
Proposed Municipal Tax Rate	1.863	Average Res. Value (#4 above)	107,944
Current Year Taxes on Average Residential Value (#4 above)			2,011.00
Prior Year Taxes on Average Residential Value			1,892.26
Proposed Increase in average residential taxes			118.74

VII. Application Year Budget Information

A. Year of latest revaluation/reassessment

2009
128.21%

A1. Most current equalized ratio

B. Proposed Budget – Appropriation Cap Information

Item	Yes	No
1. Was an appropriation cap index rate ordinance adopted last year? If YES: % that was used	X	
3.5%		
2. Amount of appropriation cap bank available going into this year		
\$ 423,404.41		
3. Is the Application Year budget at (appropriation) cap? If NO, amount of remaining balance		X
\$ 283,127.38		
4. Does the Application Year anticipate use of a waiver to exceed the appropriation cap? If YES, amount:		X
\$		

C. List the five largest item appropriation increases:

Appropriation	Prior Year Actual	Application Year Proposed	\$ Amount of Increase
Inter Local Service Agreement Dispatching Services	\$ 58,125.00	\$ 155,000.00	\$ 96,875.00
Inter Local Service Agreement Public Works (classifying payment to Carneys Point Township)	\$ 551,703.00	\$ 596,722.00	\$ 45,019.00
Public Employees Retirement System	\$ 294,258.41	\$ 315,778.60	\$ 21,520.19
Municipal Clerk Salary & Wages	\$ 62,495.55	\$ 85,754.00	\$ 23,258.45
Public Building & Grounds Salary & Wages	\$ 9,437.91	\$ 25,800.00	\$ 16,362.09

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

Department/Agency	Position	Number	Dollar Amount
Police Department	Police Clerk	1	\$ 30, 105.33 includes benefits
Police Department	Police Officer (estimated date of hire 6/01/2017, salary is offset in the amount of \$ 23,400.00 by not hiring a Class 2 Officer)	1	\$28,129.96 includes benefits
Other Code Enforcement	Housing/Landlord/Zoning Officer		\$ 26,766.05 includes benefits
Municipal Clerk	Deputy Clerk	1	\$ 22,551.93 includes benefits
	*(See attachment Appendix L for justification)		

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 applications, significant reductions in Aid cannot be realized until Police Services Consolidation or River Front Development is achieved.

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? If so, please identify system being used.	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? If not, be prepared to discuss why not in your application meeting.		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	2017	N/A	N/A	2016 Per Approval
Average total cost percentage increase	1.44 %	0%	0%	1.5 %
Last contract settlement date	8/29/14	N/A	N/A	
Contract expiration date	2018	N/A	N/A	

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

Action	Police	Fire	Other Contract	Non-Contract
Furloughs (describe below)				
Governing Body will revisit depending on the amount of Transitional Aid received.				
Wage Freezes (describe below)				
Wages frozen since 2009 for non-contractual and 2011 for Statutory, Division authorized a 1.5% increase in 2016				
Layoffs (describe below)				
Staffing is at a minimum due to prior layoffs and restructuring certain employees to part-time positions.				

D. Tax Enforcement Practices:

Question	Yes	No
1. Did the municipality complete its accelerated tax sale by December 31, if included in 2016 budget? If not, please include a letter from the tax collector explaining why he/she failed to complete the sale in a timely manner and what the impacts were on cash flow and lost investment earnings.		N/A
2. When was the last foreclosure action taken or tax assignment sale held: Date:	Final Judgment received 1/23/17 for 22 properties	
3. On what dates were tax delinquency notices sent out in 2016: Date:	2/2, 5/23,8/23,11/16,12/13	
4. Date of last tax sale: Date:	10/3/2016	

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:

2015	\$ 1,618.76	2016	\$ 1,522.52	Anticipated Application Year:	\$ 1,300.00
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2. List the instruments in which idle funds are invested:

Various Operating & Trust Funds Checking Accounts	

3. What was the average return on investments during 2016? .15 %

4. Left Blank Intentionally

5. The name and firm of the municipality's auditor?

Bowman and Company
2006

6. When was the last time the municipality changed auditors?

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
Police Chief (new)		In contact with the Police Committee to set-up date for negotiations.
Police Association	2017	

H. Tax Abatements. Please provide a detailed discussion of any short-term or long-term tax abatements that are currently in place or are currently being negotiated including the following information:

Project Name/Property	Type of Project	2016 PILOT Billing	2016 Assessed Value	2016 Taxes If Billed in Full at 2016 Total Tax Rate	Term of Tax Abatement
Penn Village Apartments	Affordable Housing	\$ 42,500.00	\$ 7,297,000.	\$ 284,218.17	No more than 50 years nor less than the term of the NJHFA mortgage. Signed 1972.
Penns Grove Gardens	Affordable Housing	\$ 166,655.00	\$ 4,713,100.	\$ 183,575.23	Full force as such rate as agreed upon and so long as he successor entity qualifies under HMFA LAW
Penns Grove Housing Authority, which includes Silver Run Apartments	Affordable Housing	.00	\$ 9,803,300.	\$ 381,838.54	Shall remain in full force as long as the beneficial title to such project is held by the Local Authority or any other governmental agency, including HUD

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.

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		Due to Social Economic Conditions, Council believes that providing programs will curb mischief and help promote the good aspects of the community.
Sewer Fees	<input type="checkbox"/>			
Water Fees	<input type="checkbox"/>			
Swimming Pool	<input type="checkbox"/>			
Uniform Construction Code	<input checked="" type="checkbox"/>			State has assumed function of the Construction Office as of February 2015.
Uniform Fire Code	<input type="checkbox"/>			
Land Use Fees	<input type="checkbox"/>			
Parking Fees	<input type="checkbox"/>			
Beach Fees	<input type="checkbox"/>			
Insert other local fees below: Land Lord License Fees	<input checked="" type="checkbox"/>	Covered		
Land Use Escrow fees for in-house staff	<input type="checkbox"/>	No	\$ 5,463.64 Secretary	Matter will be discussed with Planning/Zoning Board.
Land Use Escrow fees for independent contractors	<input type="checkbox"/>			

Section XI – Impact of Limited or No Aid Award

Describe in complete detail the actual 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	2014 Full Time Staffing	2015 Full Time Staffing	\$ Amount to be Saved
1	Police Department, the number of cuts will depend on the Aid Award. The Police Budget accounts for 31.72 % of the Municipal Budget					
2	General Government, General Government personnel have been cut in prior year budgets through layoffs and making other positions part-time. The Governing Body will look into additional cuts depending on the Aid Award. Currently staffing is at a minimum					

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

Rank Order	Service	Cost Savings	Impact on Services
1	Police Services		Depending on the Aid Award half of the department would have to be terminated. This would have a disastrous effect on Police Services.
2	General Government		The Borough is at minimum staffing, additional cuts will affect the productivity of office affected.

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 new 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 new 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 is in substantial compliance with the conditions and requirements of the 2016 MOU and is moving in good faith to correct those area of noncompliance that have been identified, including, but not limited to, the following: establishment of a pay to play ordinance; termination of longevity pay for officers and employees not contractually entitled to longevity pay; termination of health benefits for part time officers and employees; receipt of signed approval forms as required prior to hiring personnel and contracting with professional service vendors.

Mayor: *John A. Washington* Date: 3/23/17
 Chief Financial Officer: *[Signature]* Date: 3/23/17
 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 Administrative 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 C. Washington* Date: 3/23/17

Chief Financial Officer: *[Signature]* Date: 3/23/17

Chief Administrative Officer: _____ Date: _____