

Transitional Aid Application for Calendar Year 2018
Division of Local Government Services
Department of Community Affairs

MAY 24 2018

General Instructions: This application must be submitted in its entirety by May 25, 2018 for funding consideration under this program. Information contained in the application is subject to independent verification by the Division. Refer to Local Finance Notice 2018-14 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
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I. Aid History

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

CY 2017	CY 2016	CY 2015
\$ 356,000.00	\$ 358,000.00	\$ 280,000.00

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:	\$ 481,600.00
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If not seeking a decrease, a letter from the Mayor is required. See Local Finance Notice 2018-14.




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
2017 Annual Financial Statement	2/26/2018
2016 Annual Audit	9/26/2017
2016 Corrective Action Plan	4/05/2018
Application Year Introduced Budget	4/03/2018
Budget Documentation Submitted to Governing Body	3/09/2018




IV.A Application Certification

The undersigned herewith certify that they, he or she has reviewed this application and, to his or her knowledge, believes the contents to be true and 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		5/23/18
Governing Body Presiding Officer		5/23/18
Chief Financial Officer		5/23/18
Chief Administrative Officer		

IV.B CY2017 Transitional Aid Recipients Applying in 2018

CY2017 Municipalities operating under a Memorandum of Understanding ("MOU") must certify that they are in substantial compliance with all conditions and requirements of the MOU, including, but not limited to the following: establishment of a pay-to-play ordinance; elimination of longevity for employees not contractually entitled to longevity pay, legal pursuit of elimination of longevity and other remuneration (not base pay) through collective negotiations for all other employees and receipt of signed approval forms as required prior to hiring personnel and contracting with professional service vendors.

Official	Signature	Date
Mayor/Chief Executive Officer		5/23/18
Governing Body Presiding Officer		5/23/18
Chief Financial Officer		5/23/18
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 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 2018, 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.

FACTOR I:

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 2016 is \$15,590.00 versus the State average of \$ 37,538.00. Medium household income for 2016 is \$ 30,128.00 versus the State average of \$ 76,126.00. Persons below Poverty (2016) are 29.90 % of the population versus the State average of 10.40 %. 2016 Unemployment rate is 6.50 % vs State average of 4.98%, 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 moving in significantly above state average.
- House age above state average.
- Percentage of Household with bachelor's degree or higher significantly lower.

FACTOR 2:

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

As of 2018, it is estimated that 37.72 % 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 properties)
2. Tri County Community Action Committee.
3. Centro Devida.
4. Penns Grove Historical Society. (2 Properties)
5. Travelers Temple Association.
6. Salem County Counseling Services
7. New Jersey Housing & Mortgage Finance Agency.
8. Travelers Temple Association.
9. B.P.O.E Elks (2 Properties).
10. American Legion.
12. Puerto Rican Action Committee of Salem County.
13. New Jersey Housing and Mortgage finance Agency

C. Churches:

The Borough of Penns Grove presently has fourteen (14) active churches within it's boundaries that own twenty-two (22) 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 percentage of non-ratable properties (37.72%), there is a tremendous burden placed on the existing (62.28%) of 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 host an excessive number of subsidized housing units. Although being less than one square mile, the borough has five subsidized low-income housing facilities. The facilities are Penn Village Apartments, Silver Run Apartments, Mallard Park Apartments, the Penn Towers Senior Citizens Complex and Penns Grove Gardens, which have a combined total of 448 units. The owners of these facilities are receiving funding from the federal government, none of which are passed on to the Borough. The 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 2017. 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 2017, a Penns Grove homeowner with an average assessment of \$ 107,944.00 paid \$1,920.72 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 subsidized housing complexes, based on Local Tax rate for 2017 are shown below:

- Penns Grove Housing Authority -\$.00 per unit payment
- The Penn Village Apartments -Payment in Lieu, \$ 354.17 per unit.
- Mallard Park -\$660.13 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 2018 in the amount of \$1,377,000.00 for Salaries & Wages and Other Expenses. Factoring in \$ 758,222.19 for Health Insurance Payments, which includes \$ 444,051.78 in payments for retiree's and officers retired on disability. The grand total for the Police Department is \$ 2,135,222.19. This amount represents over 31.98 % of the 2018 introduced budget for 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 12/31/2017 is \$ 217,264.18. The Budget Appropriation for 2018 is \$43,452.84 (See attached Appendix B for information concerning Tax Appeal Judgement and Appendix C Tax Appeal Calculation.)

FACTOR 5:

The reduction of Ratable from October 1, 2016 to October 1, 2017 in the amount of \$3,169,900.00 causes the Municipality local tax revenue to decrease \$ 57,438.59 (based on 2017 local tax rate). Since of (37.72%) the properties in the Borough of Penns Grove are Non-Exempt Properties, it becomes a burden for the remaining (62.28%) of taxpayers to shoulder the loss of tax revenue.

FACTOR 6:

The loss of Budgetary Revenue from the following items which resulted in an Operating Deficit in the amount of \$ **19,678.87**.

1. Decrease in Tax Collection Percentage from Anticipated 87.30% to Collected 85.74% which resulted in a deficit of \$ 109,148.02.
 - 95 Municipal Liens Totaling \$ 2,031,851.62 as of 05/18/2018.
 - 506 Delinquent Accounts totaling \$ 948,513.00 as of 05/18/2018.
2. Revenue Deficit in Landlord Licenses of \$ 57,350.00 which was caused by a class action suit. The suit challenged the legality of the Borough Ordinance in which the Borough issued licenses to landlords. The suit was based upon a matter out of Hammonton in which the court ruled that such ordinance are illegal (See Appendix D).
3. Municipal Court Fines & Costs:
 - Decrease in Court Revenue of \$ 16,883.62. Bail reform has caused declining Court Revenues to the Municipality.

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	2017 Value	2018 Value	Amount of Loss/Increase
Description: Employee Group Health - Appropriation	\$ 793,284.00	\$ 858,300.00	\$ 65,016.00
Description: Landlord License Fee – Revenue: Decrease Lawsuit Driven	\$ 69,000.00	\$ 11,650.00	(\$ 57,350.00)
Description: Reserve for Uncollected Taxes - Appropriation	\$ 872,730.52	\$ 925,967.10	\$ 53,236.58
Description: Loss of Fund Balance	\$ 39,000.00	.00	(\$ 39,000.00)
Description: Deficit in Operations	.00	\$ 19,678.87	\$ 19,678.87
Description:			
Description:			

- Reserve for Uncollected Taxes Appropriation would have been \$ 1,050,091.98, an increase of \$ 177,361.46 from 2017 if the actual prior year collection percentage of 85.74 was used instead of a resolution to authorizing the Three Year Average Calculation. This reduced the Reserve for Uncollected Taxes Appropriation by \$ 124,124.88

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.

These steps should demonstrate initiatives taken to bring structural balance to the Municipality's finances and shall include, but are not limited to the following:

Use additional pages if necessary

- Efforts to bring economic development to the Municipality; and
- A plan to constrain or reduce staffing costs through aggressive collective negotiation agreements, attrition, consolidations, restructuring, or other personnel actions; and
- A plan to eliminate, reduce or constrain the costs of non-essential and low-priority services and activities; and
- A plan to maximize recurring revenues, including, as appropriate: updating fees, fines and penalties; maximizing enforcement of delinquencies; and selling surplus land and property; and
- A plan to address findings contained in various audits, investigations, and reports with respect to the Municipality, including municipal audits, applicable State Comptroller and State Auditor reports and audits, federal program audits, and other audits as identified by the Director

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1. "The Borough is continuing to work on a major redevelopment project with Riverwalk Junction, LLC. The project has several aspects", from building townhomes on the river front area to working with Salem Community College to build a glass blowing studio in Penns Grove for the students (See Appendix M). The Developer also is working with smaller developers in rehabilitating buildings houses. The Developer currently has razed two dilapidated building in Penns Grove (See Appendix N). In addition another developer is interested in developing a small strip mall (See Appendix E).
 2. "On April 18, 2018 the Borough received Final Judgement of Foreclosures on 13 separate properties. In addition, on December 20, 2017, the Borough filed two complaints for In Rem foreclosure for a total of 31 properties. Also a complaint for In Rem Foreclosure with an additional 20 properties were filed on August 15, 2017. Currently working on two more foreclosure list to initiate proceedings (See Appendix F1, F2, F3 and F4).
 3. The Borough is currently at minimal staffing. The only aggressive collective negotiation agreement would be with the Police Association. The Borough currently has four shared services agreement, Public Works Functions and Tax Collection with Carneys Point Township, Dispatching Services with Salem County and Uniform Construction Code with the state of New Jersey.
 4. The only non-essential service that can be eliminated would be recreation, but due to Social Economic Conditions, Council believes that providing programs will curb mischief and help promote the good aspects of the community.

5. The Borough did a QUITCLAIM DEED of properties for Scattered Site Development (See Appendix L).
6. 2016 Audit finding will be addressed, some of the findings was caused by lack of staffing and illness.

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) commission the insurance company is receiving for Medical in 2018: 1/1-2/28/18 is 3.69%, 3/1-6/30/18 is 3.63% and for 7/1-12/31/18 is 2.00%. RX commission for 2018: 1/1-2/28/18 is 2.80%, 3/1-6/30/18 is 2.75% and for 7/1-12/31/18 is 3.00% The Actual value of commission for the last three years are:

- March 2016-February 2017 \$25,318.70
- March 2017-February 2018 \$28,574.66
- March 2018-December 2018 \$19,680.66

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 Appendix G).
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 \$ 46,662.42 or 5.53% by not converting over to the State Plan for time period of 1/01/2018-12/31//2018. A requirement for enrollment into the State Plan is that all eligible persons must be enrolled in Medicare Part A & B. It would cost the Borough and estimated additional \$ 50,000.00 for those who are eligible for Part A & B, but do not have it.

Second, as of 7/01/2018 the Borough will join Southern Coastal Regional Employee Benefits Fund (HIF), obtaining savings through a shared service (See Appendix J).

Third, 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, also 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	2016	2017	Introduced Application Year
1. Property Tax/Budget Information			
Municipal tax rate	\$ 1.753	\$ 1.812	\$ 1.984
Municipal Purposes tax levy	\$ 3,011,387.44	\$ 3,087,223.72	\$ 3,316,966.81
Municipal Open Space tax levy	\$.00	\$.00	\$.00
Total general appropriations	\$ 6,428,668.32	\$ 6,662,496.00	\$ 6,676,197.81

2. Cash Status Information			
% Of current taxes collected	87.38 %	85.74 %	%
% Used in computation of reserve	87.68 %	87.30 %	87.21 %
Reserve for uncollected taxes	\$ 826,925.97	\$ 872,730.52	\$ 925,967.10
Total year end cash surplus	\$ 70,012.30	\$ 11,494.84	
Total non-cash surplus	\$ 844.92	\$ 20,362.38	
Year end deferred charges	\$.00	\$ 19,678.87	

3. Assessment Data			
Assessed value (as of 1/10)	\$ 171,688,600	\$ 170,375,100	\$ 167,205,200
Average Residential Assessment	\$ 108,463.00	\$ 107,944.00	\$ 106,000.00
Number of tax appeals granted	25	17	
Amount budgeted for tax appeals	\$.00	\$.00	\$.00
Refunding bonds for tax appeals	\$.00	\$.00	\$.00

4. Full time Staffing Levels			
Uniformed Police - Staff Number	15 FT Police, 1 PT Police, 4 FT Dispatchers, 1 PT Disp. Clerk, 2 Crossing Guards, 2 PT Booking Clerks	15 FT Police, 1 FT Clerk, 2 Crossing Guards, 2 PT Booking Clerks	16 FT Police, 1 FT Clerk, 2 Crossing Guards, 2 PT Booking Clerks
Total S&W Expenditures	\$ 1,492,728.71	\$ 1,278,522.47	\$ 1,299,000.00
Uniformed Fire - Staff Number	N/A	N/A	N/A
Total S&W Expenditures	\$.00	\$.00	\$.00
All Other Employees - Staff Number	24	24	24
Total S&W Expenditures	\$ 373,900.16	\$ 383,421.61	\$ 419,530.00

5. Impact of Proposed Tax Levy

			Amount
Current Year Taxable Value			167,205,200
Introduced Tax Levy			3,316,966.81
Proposed Municipal Tax Rate	1.984	Average Res. Value (#4 above)	106,000.00
Current Year Taxes on Average Residential Value (#4 above)			2,103.04
Prior Year Taxes on Average Residential Value			1,920.72
Proposed Increase in average residential taxes			182.32

VII. Application Year Budget Information

A. Year of latest revaluation/reassessment

A1. Most current equalized ratio

2009: Waiting for State Signoff to start Revaluation in 2018.
132.90 %

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 | |
| 3.50% | | |
| 2. Amount of appropriation cap bank available going into this year | | |
| \$ 641,041.13 | | |
| 3. Is the Application Year budget at (appropriation) cap?
If NO, amount of remaining balance | | X |
| \$ 718,970.05 | | |
| 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 As Of 12/31/2018	Application Year Proposed	\$ Amount of Increase
Group Health Insurance	\$ 718,550.38	\$ 858,300.00	\$ 139,749.62
Reserve for Uncollected Taxes	\$ 872,730.52	\$ 925,967.10	\$ 53,236.58
Police Salary and Wages	\$ 1,278,522.47	\$ 1,299,000.00	\$ 20,477.53
Deficit in Operations	\$.00	\$ 19,678.87	\$ 19,678.87
Social Security Systems	\$ 55,335.68	\$ 74,315.00	\$ 18,979.32

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

Department/Agency	Position	Number	Dollar Amount
Police Department	Patrol Officer	1	\$ 27,310.50
Group Health Insurance	Health Insurance for New Officer	1	\$ 8,679.75

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 River Front Development is achieved or Consolidated Police Services.**

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 * AFTER 6/30/18, HEALTH WILL BE THROUGH HIF	SHBP * X		* 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	Chief	First Approved by state in 2014, received in 2016
Average total cost percentage increase	1.44 %	N/A %	2.00 %	1.5 %
Last contract settlement date	8/29/14	N/A	1/19/2018	
Contract expiration date	1/01/2018	N/A	01/01/2020	

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)				
Council's decision, contractual issues with the Police Association, which have received raises every year. Non-Contractual received one raise since 2009 and Statutory, one raise since 2011.				
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)				
Currently the Municipality is understaffed.				

D. Tax Enforcement Practices:

Question	Yes	No
1. Did the municipality complete its accelerated tax sale by December 31, if included in 2017 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: * And Currently three lists are in the process of foreclosure Date:	*	1/24/17
3. On what dates were tax delinquency notices sent out in 2017: Date:		3/2,5/15,5/31, 8/14,11/2,12/14
4. Date of last tax sale: Date:		10/23/2017

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:

2016	\$ 1,522.52	2017	\$ 1,065.10	Anticipated Application Year:	\$ 1,000.00
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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 2017?

.15%

4. Left Blank Intentionally

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

Bowman and Company LLP
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	01/01/2020	
Police Association	01/01/2018	In Negotiations

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	2017 PILOT Billing	2017 Assessed Value	2017 Taxes If Billed in Full at 2017 Total Tax Rate	Term of Tax Abatement
Penn Village Apartments	Affordable Housing	\$ 42,500.00	\$ 7,297,000.	\$ 295,382.56	No more than 50 years nor less than the term of the NJHFA mortgage. Signed 1972.
Penns Grove Gardens	Affordable Housing	\$ 160,000.00	\$ 4,713,100.	\$ 190,786.29	Full force as such rate as agreed upon and so long as the successor entity qualifies under HMFA LAW
Penns Grove Housing Authority, which includes Silver Run Apartments	Affordable Housing	.00	\$ 9,803,300.	\$ 396,837.58	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	X	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	X			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: Landlord License Fees	X	YES		
Land Use Escrow fees for in-house staff	X	NO	\$ 5,463.64 Secretary	Secretary will notify members for agenda discussion, current activity will not cover costs.
Land Use Escrow fees for independent contractors	<input type="checkbox"/>			

X. Service Delivery

List all services that the municipality contracts to another organization: i.e., shared services with another government agency, including formal and informal shared services, memberships in cooperative purchasing program, private (commercial), or non-profit organization.

Service	Name of Contracted Entity	Estimated Amount of Contract	Year Last Negotiated (as applicable)
Inter Local Service Agreement for Revenue Administration	Carneys Point Township	\$ 65,610.00	2016
Inter Local Service Agreement for Public Work Functions including Trash Collection, Disposal, Storm Water Management, Recycling and Public Works Functions.	Carneys Point Township <ul style="list-style-type: none"> Council Authorized Request for Proposal for Sanitation Services on 4/15/2018, as the Host Agency is receiving a greater benefit then the receiving Agency. 	\$ 598,457.00	2016
Inter Local Service Agreement for Dispatching Services	County of Salem	\$ 155,000.00	2016
Construction Office	State of New Jersey	N/A	2015
Electricity (See Appendix H)	South Jersey Power Cooperative	Saving will be realized in 2019 Appropriation	First Meter Read After August 31, 2017
Natural Gas (See Appendix I)	South Jersey Power Cooperative	Saving will be realized in 2019 Appropriation	First Meter read December 2017
Group Health Insurance – Medical (See Appendix J).	Southern Coastal Regional Employee Benefits Fund	\$ 326,286.00 7/1-12/31/18	Effective 7/1/18
Group Health Insurance – Prescription (See Appendix K).	Public Employer Benefits Trust Rx Alliance	\$ 118,691.70 7/1-12/31/18	Effective 7/1/18

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	2016 Full Time Staffing	2017 Full Time Staffing	\$ Amount to be Saved
1	Police Department. the number of cuts will depend on the Aid Award and if the cuts will affect the Health & Welfare of the Community. The Police Budget accounts for 31.98 % of the Municipal Budget. Current Application has a request for additional officer.					
2	General Government. Even though currently staffing is at the minimal level. Governing Body will have to see if cuts are viable.					

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, numerous layoffs would have a disastrous effect on Police Services and Public Safety and Public Health and Welfare of the community
2	General Government		The Borough is at minimum staffing, additional cuts will vastly affect the services provided to the community.

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 2017 MOU and is operating 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 G. Washington* Date: *5/23/18*
 Chief Financial Officer: *[Signature]* Date: *5/23/18*
 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 A. Washington Date: 5/23/18

Chief Financial Officer: [Signature] Date: 5/23/18

Chief Administrative Officer: _____ Date: _____