

# Transitional Aid Application for Calendar Year 2011

## Division of Local Government Services

### Department of Community Affairs

**General Instructions:** This application must be submitted in its entirety by March 11, 2011 for funding consideration under this program. Information contained in the application is subject to independent verification by DLGS. Refer to Local Finance Notice **2011-7** when preparing this application for specific instructions and definitions, and review the Submission Checklist on Page 6.

|                              |              |                 |              |                |                      |
|------------------------------|--------------|-----------------|--------------|----------------|----------------------|
| <b>Name of Municipality:</b> |              | City of Salem   |              | <b>County:</b> | Salem                |
| <b>Contact Person:</b>       |              | David Crescenzi |              | <b>Title:</b>  | CFO                  |
| <b>Phone:</b>                | 856-935-6798 | <b>Fax:</b>     | 856-935-6360 | <b>E-mail:</b> | salemcfo@comcast.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 2010   | CY 2009   | CY 2008   |
|-----------|-----------|-----------|
| \$300,000 | \$400,000 | \$600,000 |

**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.)

|  |                  |
|--|------------------|
| <b>Amount of aid requested for the Application Year:</b> | <b>\$225,000</b> |
|--|------------------|

*An aid request does not constitute guarantee of receipt of any funds.*

#### 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            | February 9, 2011       |
| Previous Year Annual Audit                       | December 20, 2010      |
| Previous Year Audit Corrective Action Plan       | December 29, 2010      |
| Application Year Introduced Budget               | March 7, 2011          |
| Budget documentation submitted to governing body | January 18, 2011       |

#### 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    | <i>Robert L. Davis</i> | 3-10-11 |
| Governing Body Presiding Officer | <i>Gregory Merrill</i> | 3-10-11 |
| Chief Financial Officer          | <i>Dan</i>             | 3-10-11 |

**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.

While most municipalities have seen increases in their Net Valuation Taxable, the tax base in the City of Salem has steadily declined. The Net Valuation Taxable for the City of Salem decreased from \$126,452,497 in 1993 to \$116,455,107 in 2006 for a loss of \$9,997,390. During 2007, a City wide revaluation was completed which increased the City's taxable value to \$256,190,568. However that value decreased to \$234,662,914 in 2011 for a four year loss in assessed value of \$21,527,654. Therefore tax increases are likely to occur even in years when the tax levy does not increase.

Appeals by businesses and higher income residents comprise most of the reduction in value and have resulted in the shifting of the tax burden to low income residents and senior citizens.

It is difficult for Salem City to compete for new ratables with the surrounding towns in the area because of its higher tax rate.

Over the last ten years, the City has witnessed a depopulation of 1,813 residents. The 1990 census equaled 6,959 compared to the 2010 census of 5,146. The largest decrease in Salem County.

Per Capita income (1999) of Salem residents was \$13,599. Medium household income in 1999 was \$25,846. Therefore the average resident of Salem City would have a more difficult time dealing with the rising costs (tax or rent increases) associated with the City not receiving Transitional Aid.

The City's unemployment rate in 2008 was 10.2%. It is most likely much higher in 2010.

The City identified over 64 abandoned properties when the abandoned property ordinance was enacted..

The City has a disproportionate amount of exempt property. The City has over 33.33% (\$79,541,641) of its total assessed value in exempt property. As part of that equation, the County offices are located in the heart of the business district. In November 2010, the County purchased the Five Star Plaza(\$729,000 assessed value) in the City of Salem.

The City is comprised of 5,146 residents compressed in a 2.6 mile radius. Within that area, there are three affordable housing projects. The results, due to the number of low income residents compressed into a small geographic area, leads to high density costs for services needed by these residents. All three low income complexes are exempt from property taxes and only one pays a payment in lieu of taxes.

Within the last five months there have been two armed standoffs within the City. The latter being a hostage situation where the suspect shot and injured a police officer and a police dog.

**V-B Alternate Eligibility Calculation**

Complete this section only if Transitional Aid **was not** received in the prior year. If the requirements of this section are met, this application must also reflect that the criteria in Section C, items 2-7 of Local Finance Notice 2011-7 are met.

**Part 1** calculates loss of equalized value. If there is a loss of at least *2% of equalized value*, the eligibility criteria is met and the rest of the form does not have to be completed.

If the 2% criterion is **not** met, continue with Part 2 to identify individual revenue losses (exclusive of State CMPTRA/ETR formula aid reductions) or specific, extraordinary appropriation increases (pursuant to Local Finance Notice 2011-7, Item B-8).

| <b>Part 1 – Eligibility of Value Loss</b>                             | <b>Current Year County Equalization Table County Apportionment</b> | <b>Prior Year Director’s Table Equalized Value</b> | <b>Decrease</b> |
|---|--|--|-----------------|
|   | (a)  | (b)  | (c)             |
| <b>Equalized Value Reduction</b>                                      |  |  |                 |
| <b>Percent of loss from prior year (c) divided by (b) as percent:</b> |  |  |                 |
| <b>If this exceeds 2%, stop and proceed to the next page.</b>         |  |  |                 |

| <b>Part 2 – Demonstration of Revenue Loss/Substantial Cost Increase</b>   |                  |                    |                         |
|---|------------------|--------------------|-------------------------|
| 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  | Prior Year Value | Current Year Value | Amount of Loss/Increase |
| <b>Description:</b>   |                  |                    |                         |
| <b>Description:</b>   |                  |                    |                         |
| <b>Description:</b>   |                  |                    |                         |
| <b>Description:</b>   |                  |                    |                         |
| <b>Description:</b>   |                  |                    |                         |
| <b>Description:</b>   |                  |                    |                         |
| <b>Description:</b>   |                  |                    |                         |
| <b>Description:</b>   |                  |                    |                         |
| <b>Description:</b>   |                  |                    |                         |

**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.

The City completed its third year of shared services with Salem County for dispatch / 911 services. The City is contracted to pay the County \$130,000 for the shared service in 2010. The City Council has requested that the 2011 amount be reduced to \$132,60 with increases for future years being reduced to 2% increases in order for this cost to be in line with the levy cap. The Budget savings for 2010 for this shared service is estimated to be \$56,000.

The City has entered into a tentative Electric Service agreement with Liberty Power Holdings LLC for a lower fixed rate kilo watt per hour than our current provider Atlantic City Electric. The City estimates saving \$25,000 in 2010 and \$55,000 in 2011 in electricity costs. In 2011 the City entered into an additional service agreement with Liberty Power for a lower rate on natural gas.

The City participates in the Salem County Purchasing cooperative for gasoline and heating oil.

Both union contracts, FOP & Blue Collars, expire at the end of 2010. City Council has a tentative agreement for a wage freeze with the Blue Collars Union for 2011. The wage freeze will also apply to non-union employees.

City employees, in compliance with State law, now contribute 1.5% of salaries for Health Benefits.

City Council has reduced the staffing levels of uniform police, the City Clerk's Office – (Deputy Clerk) and is eliminating a police department secretary. The street department modified work schedules to eliminate overtime and shift differential costs for street sweeping and the recycling center. Other than snow removal, overtime costs for the street department have been nearly nonexistent the last two years.

The City has multiple companies interested in leasing the DEP approved capped landfill. All of the companies are interest in a solar panel farm. The City is in the process of advertising an official bid process for rental of the City landfill. Any lease payment received will be inserted as anticipated revenue in the municipal budget to reduce the tax levy.

The City no longer will appropriate Salary and Wage costs in the municipal budget to operate the City pool. In 2010 a non-profit (Salem County YMCA) is operating the city pool through charitable donations and entry fees. If funding is not adequate during the pool season, the pool will close. If funding is not sufficient for the 2011 pool season, the pool will not re-open.

The City entered into a shared service with the County of Salem to use their gas pumping station, as opposed to replacing the City's no compliant tanks or issuing gas credit cards.

The City re-entered into a shared service agreement with the Motor Vehicle Commission to provide security at local Motor Vehicle office. The City will receive \$78,400 to provide the service for the 2011 fiscal year.

The City is reviewing closing one of the three remaining volunteer firehouses. The City closed North Bend Firehouse, one of the oldest firehouses in the State in 2008. The City will auction North Bend in 2011, setting the minimum bid at \$50,000. The annual savings for closing the firehouse is estimated to be \$18,000.

The City implemented a co-mingled recycling program to reduce labor hours for curbside pickup.

The City is attempting to eliminate its Construction Code Office by either entering into a shared service with a neighboring community or having the State provide the service. The City taxpayers have been funding a deficit in operations for the office over the last five years.

The City has participated in a shared service survey with the County of Salem for Animal Shelter services. The County is researching providing Animal Shelter services to its municipalities. The County feels it can provide the service at a much lower cost by using county inmates to staff the facility.

## VI. Historical Fiscal Statistics

| Item   | 2009           | 2010                           | Introduced<br>Application Year |
|--|----------------|--------------------------------|--------------------------------|
| <b>1. Property Tax/Budget Information</b>                  |                |                                |                                |
| Municipal tax rate   | \$1.509        | \$1.609                        | \$1.788                        |
| Municipal Purposes tax levy                                | \$3,602,722.67 | \$3,820,425.74                 | \$4,196,981.26                 |
| Municipal Open Space tax levy                              | \$NA           | \$NA                           | \$NA                           |
| Total general appropriations                               | \$7,885,331.01 | \$8,053,256.26                 | \$7,994,548.75                 |
| <b>2. Cash Status Information</b>                          |                |                                |                                |
| % Of current taxes collected                               | 89.19%         | 89.02%                         | %                              |
| % Used in computation of reserve                           | 90.25%         | 89%                            | 89%                            |
| Reserve for uncollected taxes                              | \$831,586.22   | \$981,783.88                   | \$997,613.60                   |
| Total year end cash surplus                                | \$712,780.53   | \$790,402.57                   |                                |
| Total non-cash surplus                                     | \$100,000      | \$50,000                       |                                |
| Year end deferred charges                                  | \$100,000      | \$50,000                       |                                |
| <b>3. Assessment Data</b>                                  |                |                                |                                |
| Assessed value (as of 7/1)                                 | \$238,628,279  | \$237,308,414                  | \$234,662,914                  |
| Average Residential Assessment                             | \$100,294      | \$100,294                      | \$100,083                      |
| Number of tax appeals granted                              | 24             | 13                             |                                |
| Amount budgeted for tax appeals                            | \$0            | \$0                            | \$0                            |
| Refunding bonds for tax appeals                            | \$0            | \$0                            | \$0                            |
| <b>4. Full time Staffing Levels</b>                        |                |                                |                                |
| Uniformed Police - Staff Number                            | 27             | 23                             | 23                             |
| Total S&W Expenditures                                     | \$2,012,137.02 | \$1,988,094.64                 | \$1,932,900                    |
| Uniformed Fire - Staff Number                              | Volunteer      | Volunteer                      | Volunteer                      |
| Total S&W Expenditures                                     | \$0.00         | \$0.00                         | \$0.00                         |
| All Other Employees - Staff Number                         | 48             | 45                             | 43                             |
| Total S&W Expenditures                                     | \$1,134,083.22 | \$1,037,807.21                 | \$1,000,632.12                 |
| <b>5. Impact of Proposed Tax Levy</b>                      |                |                                |                                |
|  |                |                                | <b>Amount</b>                  |
| Current Year Taxable Value                                 |                |                                | 237,308,414                    |
| Introduced Tax Levy  |                |                                | \$4,196,981.26                 |
| Proposed Municipal Tax Rate                                | 4.788          | Average Res. Value ( #4 above) | \$100,083.00                   |
| Current Year Taxes on Average Residential Value (#4 above) |                |                                | 1,789.48                       |
| Prior Year Taxes on Average Residential Value              |                |                                | 1,614.73                       |
| Proposed Increase in average residential taxes             |                |                                | 174.75                         |

**VII. Application Year Budget Information**

A. Year of latest revaluation/reassessment

2007

B. Proposed Budget – Appropriation Cap Information

|   | Yes | No |
|---|-----|----|
| <b>Item</b>   |     |    |
| 1. Was an appropriation cap index rate ordinance adopted last year?<br>If YES: % that was used              | X   |    |
| 3.5%  |     |    |
| 2. Amount of appropriation cap bank available going into this year  |     |    |
| \$671,841.70  |     |    |
| 3. Is the Application Year budget at (appropriation) cap?<br>If NO, amount of remaining balance             |     | X  |
| \$729,942.81  |     |    |
| 4. Does the Application Year anticipate use of a waiver to exceed the appropriation cap?<br>If YES, amount: |     | X  |
| \$  |     |    |

C. List the five largest item appropriation increases:

| Appropriation                    | Prior Year Actual | Application Year Proposed | \$ Amount of Increase |
|----------------------------------|-------------------|---------------------------|-----------------------|
| Police and Fire Retirement       | \$362,078         | \$401,817                 | \$43,739              |
| Public Employees Retirement      | \$114,053         | \$147,278                 | \$33,225              |
| Police Department Salary & Wages | \$1,988,095       | 1,932,000                 | \$37,900              |
| Note Principal                   | \$77,664          | \$109,314                 | \$31,650              |
| Street Lighting                  | 135,566           | 125,000                   | 16,000                |
|                                  |                   |                           |                       |

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

| Department/Agency | Position | Number | Dollar Amount |
|-------------------|----------|--------|---------------|
|                   | NONE     |        |               |
|                   |          |        |               |
|                   |          |        |               |

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         |
|--------------------|------------------|------------------|------------------|------------------|------------------|
| <b>First year</b>  | <b>3,943,400</b> | <b>3,704,539</b> | <b>225,000</b>   | <b>2,934,000</b> | <b>2,787,000</b> |
| <b>Second year</b> | <b>3,938,200</b> | <b>3,734,750</b> | <b>150,000</b>   | <b>2,970,000</b> | <b>2,845,000</b> |
| <b>Third year</b>  | <b>3,939,000</b> | <b>3,810,500</b> | <b>75,000</b>    | <b>3,025,000</b> | <b>2,900,000</b> |

### 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.                                   |     |    |

#### 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                         | <b>SHBP</b> |      |            |
|                                | 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  | 2010     | NA        | 2010                       | 2010                     |
| Average percentage increase   | 4%       | NA%       | 3.5% Minus 8 Furlough Days | 2% Minus 8 Furlough days |
| Last contract settlement date | 01/01/07 | Volunteer | 01/01/07                   |                          |
| Contract expiration date      | 12/31/10 | Volunteer | 12/31/10                   |                          |

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)  | NO     | Volunteer | NO             | NO           |
| Civil Service Jurisdiction – Need union agreement & PERS plan approval  |        |           |                |              |
| Wage Freezes (describe below)   | NO     | Volunteer | Yes            | Yes          |
| Tentative Agreement with Blue Collars' Union is a 0% wage increase for 2011                                     |        |           |                |              |
| Layoffs (describe below)  | Yes    | Volunteer | NO             | Yes          |
| Layoff notice sent to Clerk Typist – Police Department. * Deputy Clerk laid off after 10 Budget was introduced. |        |           |                |              |



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: <span style="float: right;">Date:</span> | 03/15/2004          |    |
| 3. On what dates were tax delinquency notices sent out in 2010: <span style="float: right;">Date:</span>            | 03/25, 06/11 & 12/7 |    |
| 4. Date of last tax sale: <span style="float: right;">Date:</span>  | August 11, 2010     |    |

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: | \$4,261 | Last Year: | \$2,171.45 | Anticipated Application Year: | \$0 |
|-------------|---------|------------|------------|-------------------------------|-----|

2. List the instruments in which idle funds are invested:

|              |  |
|--------------|--|
| Money Market |  |
|              |  |
|              |  |
|              |  |

3. What was the average return on investments during CY 2010?

.13%

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

2011 Construction & Landlord Registration

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 - FOP              | 12/31/2010      | 5 meetings. Asking for 3 year contract – 2% Increase for 3 years.                                     |
| Blue Collars' Association | 12/31/10        | 7 meetings. Tentative agreement of 4 yr contract with increases of 0%(11), 1.5%(12), 2%(13) & 2%(14). |
|                           |                 |   |
|                           |                 |   |

**IX-A. List actions that limited Salary and Wage costs: i.e., layoffs, furloughs, freezes, contract concessions, etc.  
(See item C-3 in Local Finance Notice 2011-7 for details)**

| S&W Line Item              | Prior Year Actual | Application Year Proposed | Explanation of Change  |
|----------------------------|-------------------|---------------------------|--|
| Municipal Clerk            | 76,151.49         | 67,624                    | Deputy Clerk lay off May 2010 after introduction. Full Budget savings recognized in 2011 in the amount of \$21,076.  |
| Tax Assessment             | 63,682.30         | 22,332                    | Principal Account Clerk retired effective 01/01/11. Rehired temporary part time for training purposes only, not to exceed 15k. Appointment expires after one year, after which position will be eliminated. Part time salary funded in Water Sewer Utility Budget. |
| Constr. Code Acct. Deficit | 12,000            | 12,000                    | Reduced Salary of Fire Code ' Plumbing inspector from \$22,500 To 12,000. to partially reduce deficit.   |
| Economic Development       | 9,000             | 6,000                     | Reduced Salary of part time Economic Development Director from \$12,000 to \$6,000 - started July 1, 2010.   |
| Buildings and Grounds      | 5,910             | 0                         | Terminated contract with 1099 employee for cleaning services for office buildings in May 2010. The \$5,910 spent was for services for the period of 01/01/10 to 05/30/10.  |
|                            |                   |                           |  |
|                            |                   |                           |  |
|                            |                   |                           |  |
|                            |                   |                           |  |
|                            |                   |                           |  |
|                            |                   |                           |  |
|                            |                   |                           |  |
|                            |                   |                           |  |

**IX-B. List actions that limited or reduced Other Expense costs: i.e., reductions, changes, or elimination of services, procurement efficiencies or restraint. Include changes in spending policies that reduce non-essential spending.**

| Line Item             | Prior Year Actual | Application Year Proposed | Explanation of Change  |
|-----------------------|-------------------|---------------------------|--|
| Buildings and Grounds | 26,000            | 35,000                    | Reduced budget by 5,500. Must correct ADA issues and               |
|                       |                   |                           | Maintenance / repairs to historical City hall in 2011.             |
|                       |                   |                           | Plan on reducing appropriation more in 2012                        |
| Mayo and Council      | 23,096            | 40,000                    | Budget reduction of 8,500. Did not use grant consultants in        |
|                       |                   |                           | 2010.  |
| Human Resources       | 525               | 5,000                     | Reduced Budget by 2,000. Did not use labor attorney to date for    |
|                       |                   |                           | contract negotiations. Reluctant to decrease line item any farther |
|                       |                   |                           | because negotiations / contracts are not finalized.                |
| Celebration of Events | 500               | 0                         | Budgeted 2,000. After signing MOU, froze line item.                |
|                       |                   |                           |  |
|                       |                   |                           |  |
|                       |                   |                           |  |
|                       |                   |                           |  |
|                       |                   |                           |  |
|                       |                   |                           |  |
|                       |                   |                           |  |
|                       |                   |                           |  |
|                       |                   |                           |  |

**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  | \$20,000   | Due to low medium income of residents.  |
| Sewer Fees  | <input type="checkbox"/>            | no  |  |   |
| Water Fees  | <input type="checkbox"/>            | no  |  |   |
| Swimming Pool   | <input type="checkbox"/>            | no  |  | Eliminated in 2010. Managed by non-profit   |
| Uniform Construction Code   | <input checked="" type="checkbox"/> | 12,000 Deficit                                      | 12,000 Deficit   | Reduced salaries. Not enough permits. Looking At Ate or shared service with neighboring township. |
| Uniform Fire Code   | <input type="checkbox"/>            | no  |  |   |
| Land Use Fees   | <input type="checkbox"/>            | no  |  |   |
| Parking Fees  | <input checked="" type="checkbox"/> | yes   |  |   |
| Beach Fees  | <input type="checkbox"/>            | no  |  |   |
| Insert other local fees below:  | <input checked="" type="checkbox"/> |   |  |   |
| Trash Collection  |                                     | yes   |  | 1 dollar sticker / per 30 gallon bag.   |
|   |                                     |   |  |   |
|   |                                     |   |  |   |
|   |                                     |   |  |   |
|   |                                     |   |  |   |
|   |                                     |   |  |   |

**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.

| <b>Service</b>                               | <b>Name of Contracted Entity</b>         | <b>Estimated Amount of Contract</b> | <b>Year Last Negotiated<br/>(as applicable)</b> |
|--|--|-------------------------------------|---|
| <b>Emergency Dispatch</b>                    | <b>County of Salem</b>                   | <b>\$130,000</b>                    | <b>2007 – 2011 last yr</b>                      |
| <b>Trash Collection</b>                      | <b>South Jersey Sanitation</b>           | <b>\$67,200</b>                     | <b>2010</b>                                     |
| <b>Computer Server Maint. and Repairs</b>    | <b>Premier Technology Solutions</b>      | <b>\$12,000</b>                     | <b>2009</b>                                     |
| <b>Animal Shelter</b>                        | <b>Ron's Animal Shelter</b>              | <b>\$8,700</b>                      | <b>2010</b>                                     |
| <b>Animal Control</b>                        | <b>Ned Shimp Animal Control Services</b> | <b>\$14,400</b>                     | <b>2009</b>                                     |
| <b>Gasoline Purchase and Pumping Station</b> | <b>County of Salem</b>                   |                                     |   |
| <b>Municipal Court Space</b>                 | <b>County of Salem</b>                   | <b>\$0.00</b>                       | <b>2010</b>                                     |
| <b>Police- Salem City Initiatives</b>        | <b>County of Salem</b>                   |                                     |   |
|  |  |                                     |   |
|  |  |                                     |   |
|  |  |                                     |   |
|  |  |                                     |   |
|  |  |                                     |   |
|  |  |                                     |   |
|  |  |                                     |   |
|  |  |                                     |   |

**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 | 2010 Full Time Staffing | 2011 Full Time Staffing | \$ Amount to be Saved |
|------------|---------------------|--------------|----------------|-------------------------|-------------------------|-----------------------|
| 2          | Police Officer      | 1            | 06/30/10       | 23                      | 22                      | \$24,000              |
| 3          | Police Clerk Typist | 1            | 07/30/10       | 3                       | 2                       | \$17,000              |
|            |                     |              |                |                         |                         |                       |
|            |                     |              |                |                         |                         |                       |

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

| Rank Order | Service          | Cost Savings | Impact on Services  |
|------------|------------------|--------------|---|
| 1          | Grant Consulting | \$10,000     | Will not submit grant applications for 2011. Will have a difficult time meeting cash match requirements anyway. |
|            |                  |              |   |
|            |                  |              |   |
|            |                  |              |   |
|            |                  |              |   |

**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 2010 MOU 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: Robert L. Davis Date: 3-10-11

Chief Financial Officer: [Signature] Date: 3-10-11

Chief Administrative Officer: [Signature] Date: 3-10-2011

**XIV. CAMPS Certification (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 the NJ "CAMPS" system.

Human Resources or Personnel Director: [Signature] Date: 3-10-2011

Chief Financial Officer: [Signature] Date: 3-10-11

**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: Robert L. Davis Date: 3-10-11

Chief Financial Officer: [Signature] Date: 3-10-11

Chief Administrative Officer: [Signature] Date: 3-10-2011