

Extra State Aid for Two Municipalities

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EASTAMPTON -- Two Burlington County municipalities are among 39 in the state receiving extra state aid to help offset taxes this year.

Eastampton and Willingboro will receive extraordinary aid, which is given to towns that face substantial tax hikes in order to continue providing essential services. Municipalities seeking the aid had to submit applications by April 1 detailing their financial state, efforts to contain costs, and use of shared services.

In all, the state Department of Community Affairs announced \$10.67 million in extraordinary aid last week, with allocations ranging from \$30,000 to \$1 million.

Eastampton applied for \$400,000 and was awarded \$250,000. Willingboro sought \$1 million and received \$200,000.

They were among three county towns that chose to defer their pension contributions this year. At the time Eastampton officials said they felt the deferral was mandatory for towns applying for extraordinary aid or exemption from the state's 4 percent tax levy cap.

Under a law signed by Gov. Jon S. Corzine in March, municipalities can defer half of their required pension contribution this year. They would have 15 years to pay back the deferred amount plus interest and would begin making payments in 2012.

The interest would be calculated annually based on the pension system's investment gains or losses and would be specific to each town, according to the state Department of Treasury.

Eastampton deferred \$163,090 in payments into the state pension system for public employees, police officers and firefighters, and Willingboro deferred \$969,832, according to the state Department of Community Affairs.

Eastampton officials submitted a budget to the state that is about \$263,000 above the cap and have been waiting for the state to rule on their application. The Township Committee could approve the municipal budget tonight.

Willingboro officials said they were forced to defer the payment to stay within the state's tax levy cap.

Township Manager Joanne Diggs said the \$200,000 in extraordinary aid would be used to provide tax relief. But she said that sum would not have a significant impact on the tax rate and would save the average homeowner a few dollars annually.

While the township applied for \$1 million in aid, Diggs said officials did not expect to receive that amount because so many municipalities applied for assistance and the budget for extraordinary aid was \$500,000 less than the previous year.

"I wasn't anticipating that we would get a lot this year," she said.

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