

**Transitional Aid Application for Calendar Year 2013**  
**Division of Local Government Services**  
**Department of Community Affairs**

**General Instructions:** This application must be submitted in its entirety by March 15, 2013 for funding consideration under this program. Information contained in the application is subject to independent verification by DLGS. Refer to Local Finance Notice 2013-05 when preparing this application for specific instructions and definitions, and review the Submission Checklist on Page 7.

<b>Name of Municipality:</b> Plumsted Township		<b>County:</b> Ocean
<b>Contact Person:</b> Ronald S. Dancer		<b>Title:</b> Business Administrator
<b>Phone:</b> 732-600-0036	<b>Fax:</b> 609-758-0123	<b>E-mail:</b> r.s.dancer@att.net

**I. Aid History**

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

CY 2012	CY 2011	CY 2010
\$300,000.00	\$0	\$0

**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>\$140,000.00</b>
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*If not seeking a decrease, a letter from the Mayor is required. See Local Finance Notice #*



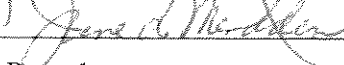
**III. Submission Requirements**

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
2012 Annual Financial Statement	2/4/2013
2011 Annual Audit	7/18/2012
2011 Corrective Action Plan	7/18/2012
Application Year Introduced Budget	With Application
Budget Documentation Submitted to Governing Body	With Application

**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		3/14/2013
Business Administrator		3/14/2013
Chief Financial Officer		3/14/2013

**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. If this application is being submitted due solely to expenditure and revenue impacts of Superstorm Sandy, please skip this section.

As of February 27, 2013, the date of Plumsted Township's last budget workshop, the projected budget deficit is \$627,651.91, which includes the maximum allowable amount of tax revenues to be raised under the 2% Cap Law of \$1,756,447.99 and the maximum allowable amount of Transitional Aid authorized by LFB Bulletin 2013-05 for budget introduction purposes (85% of \$300,000) in an amount of \$255,000. The circumstances that require the need for Transitional Aid include:

1. Ratable Base DECREASE in excess of \$272,000,000 in one year from 2012 to 2013 (Hybrid Reassessment certified as of January 10, 2013)
2. Tax appeal refunds and credits resulted in a tax revenue loss of the following: In 2012 totaled \$375,007 (Ratable base loss of \$22,686,500). In 2011 totaled \$251,482 (Ratable base loss of \$16,069,000). In 2010 totaled \$126,101 (Ratable base loss of \$8,209,716). In 2009 totaled \$64,340 (Ratable base loss of \$4,332,700). In 2008 totaled \$35,683 (Ratable base loss of \$2,523,600). Total. . . . . \$852,616 . . . . . \$53,821,716
3. State LFB approved the following TARN borrowing to avoid year-end deficit: In 2012 borrowed \$272,000. In 2011 borrowed \$208,000.
4. Required additional debt incurred in 2012: \$85,000 for Re-assessment; \$272,000 for TARNs. Total: \$357,000
5. Loss of revenue: In 2012 (25% of \$375,007 tax refunds) \$93,752. In 2011 (25% of \$251,482 tax refunds) \$62,870. Total loss not covered by TARNs . . . . \$156,622.
6. Constrained ability to raise revenues: a) 2% of \$1,597,066 (2012 taxes) = \$31,941 for 2013 (w/o exemptions) b) Reduced ratable base: In 2013 one (1) cent raises \$78,590. In 2012 one (1) cent raised \$105,525.

**V-B. Alternate Eligibility**

If this application is being submitted due solely to expenditure and revenue impacts of Superstorm Sandy, please skip this section.


<b>Demonstration of Revenue Loss/Substantial Cost Increase</b>			
Complete Part 2 if eligibility was not met in Part 1. 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	2011 Value	2012 Value	Amount of Loss/Increase
Description:			
Description:			
Description:			
Description:			
Description:			
Description:			
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.) If this application is being submitted due solely to expenditure and revenue impacts of Superstorm Sandy, please skip this section.

1. Re-assessment completed in November 2012 and effective January 2013
2. Salary savings of an estimated \$76,000 projected from retirement of two (2) police officers at top of salary guide in 2014, if two (2) police officers are hired at entry level.
3. Reductions in debt service saves: 2014-\$45,000; 2015-\$83,868; 2016-\$130,800; 2017-\$25,700; 2018-\$72,800
4. Bidding for electricity supplier reduced budgeted costs for 2013 in amount of \$22,000
5. Introduced an ordinance in 2013 to establish a local occupancy tax on one (1) B&B for estimated revenue of \$2,000
6. Adopted ordinance to establish local law enforcement vehicle impound and storage fees that resulted in new revenues anticipated of \$15,000 for 2013 budget
7. Adopted ordinance in 2012 to establish fee schedule for the installation of solar panels
8. Approved shared service agreement with Jackson Township to provide a Recycling Coordinator
9. Approved a new lease (\$1.00/year) effective 2013 for the Township leaf and branch recycling center
10. Established a Snow Removal Trust that will result in savings of \$30,000 in 2013 current fund budget
11. Continue with annual on-line auctions of unneeded equipment and vehicles
12. Group medical health insurance analysis to lower premiums as early as July, 2013

**V-D. Discussion of Health Benefits**

If this application is being submitted due solely to expenditure and revenue impacts of Superstorm Sandy, please skip this section.

The Township of Plumsted has been a member of the Central Jersey Health Insurance Fund since July 1, 1992. All the members of the fund are serviced by appointed fund professionals. Conner Strong & Buckalew serve as the Program manager for the fund and provide brokerage/consulting services for the individual members who participate in these shared services. All fund professional services and fees are approved via an RFW process by the Finance Committee and Executive Committee of the fund. These fees are contained in the overall fixed expenses of the fund and the Program manager does not receive additional fees or commissions from the Township.

The Township is currently working with the HIF to provide the employees with health plan options which will result in a savings to the Township of at a minimum of 2-4% and a maximum of 14-26%. The timeline is to do a special open enrollment in the spring of 2013 with implementation May 1, 2013. Other cost savings options will be explored for the open enrollment period for January 1, 2014. Professionals from the HIF will meet with all employees with health insurance coverage to review the various options and discuss the cost savings to them in terms of their contribution.

Until the last year the HIF has been very competitive in its pricing when compared to the State Health Benefits Plan. Attached is a comparison of the Township HIF plan with the State Health Benefits Plan.

**VI. Historical Fiscal Statistics**

Item	2011	2012	Introduced Application Year
1. Property Tax/Budget Information			
Municipal tax rate	\$ .131	\$ .151	\$ .2235
Municipal Purposes tax levy	\$1,402,434.70	\$1,597,066.12	\$1,756,448.00
Municipal Open Space tax levy	\$214,870.00	\$211,051.00	\$157,181.99
Total general appropriations	\$3,039,683.76	\$3,147,486.94	\$3,258,181.22

2. Cash Status Information			
% Of current taxes collected	99.84%	99.26%	%
% Used in computation of reserve	99.28%	99.33%	99.35%
Reserve for uncollected taxes	\$120,516.64	\$117,749.76	\$116,959.15
Total year end cash surplus	\$299,664.81	\$111,933.15	
Total non-cash surplus	\$307,064.81	\$196,933.15	
Year end deferred charges	\$7,400.00	\$85,000.00	

3. Assessment Data			
Assessed value (as of 7/1)	\$1,074,038,334.00	\$1,055,257,351.00	\$785,909,959.00
Average Residential Assessment	\$378,400.00	\$372,067.00	\$275,900.00
Number of tax appeals granted	156	245	
Amount budgeted for tax appeals	\$0	\$0	\$0
Refunding bonds for tax appeals	\$0	\$208,000.00	\$272,000.00

4. Full time Staffing Levels			
Uniformed Police - Staff Number	13	12	12
Total S&W Expenditures	\$759,175.00	\$759,895.00	\$794,098.00
Uniformed Fire - Staff Number	NA	NA	NA
Total S&W Expenditures	\$0	\$0	\$0
All Other Employees - Staff Number	5	5	5
Total S&W Expenditures	\$599,380.00	\$514,602.00	\$514,602.00

5. Impact of Proposed Tax Levy

			Amount
Current Year Taxable Value			\$785,909,959.00
Introduced Tax Levy			\$1,756,448.00
Proposed Municipal Tax Rate	0.2235	Average Res. Value (#3 above)	\$275,900.00
Current Year Taxes on Average Residential Value (#3 above)			\$6,381.57
Prior Year Taxes on Average Residential Value			\$6,150.27
Proposed Increase in average residential taxes			\$231.30

W/AD No  
 1617 AD  
 1619 662  
 8563  
 954 999

**VII. Application Year Budget Information**

A. Year of latest revaluation/reassessment

2012 (Effective 2013)
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B. Proposed Budget – Appropriation Cap Information

- | Item  | Yes  | No |
|---|------|----|
| 1. Was an appropriation cap index rate ordinance adopted last year?<br>If YES: % that was used              | 0%   | X  |
| 2. Amount of appropriation cap bank available going into this year  | \$ 0 |    |
| 3. Is the Application Year budget at (appropriation) cap?<br>If NO, amount of remaining balance             | X    |    |
| 4. Does the Application Year anticipate use of a waiver to exceed the appropriation cap?<br>If YES, amount: | \$0  | X  |

Item	Yes	No
1. Was an appropriation cap index rate ordinance adopted last year? If YES: % that was used	0%	X
2. Amount of appropriation cap bank available going into this year	\$ 0	
3. Is the Application Year budget at (appropriation) cap? If NO, amount of remaining balance	X	
4. Does the Application Year anticipate use of a waiver to exceed the appropriation cap? If YES, amount:	\$0	X

C. List the five largest item appropriation increases:

Appropriation	Prior Year Actual	Application Year Proposed	\$ Amount of Increase
Debt Service/Deferred Charges	\$297,759.27	\$369,740.62	\$71,981.35
Police Salaries & Wages	\$681,721.00	\$736,750.00	\$55,029.00
Group Health Insurance	\$317,000.00	\$350,600.00	\$33,600.00
PFRS	\$133,384.00	\$145,134.00	\$11,750.00
General Liability Insurance	\$56,303.15	\$66,626.00	\$10,322.85

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>	\$1,791,577	\$363,000	0	\$1,185,220	\$1,308,550
<b>Second year</b>	\$1,827,408	\$363,000	0	\$1,208,924	\$1,334,721
<b>Third year</b>	\$1,863,957	\$363,000	0	\$1,233,102	\$1,361,415

**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	2012	NA	NA	2010
Average percentage increase*	2.25%	NA%	NA%	2%
Last contract settlement date	12/31/2009	NA	NA	
Contract expiration date	12/31/2013	NA	NA	

\*At Top of Pay Guide/Lower Steps Average @ 6%

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	NA	NA	No
Non-contractual employees were furloughed one (1) day per month for 2011 and 2010. Police would not agree to furloughs in 2011 or 2010.				
Wage Freezes (describe below)				
Non-contractual employees' wages have been frozen since 2010 and that will continue into 2013. Police salaries were frozen at the 2009 step guide rate for 2010 and 2011; 2012 and 2013 there was a contract in place giving 2.25% increase to officers at the top of pay scale and lower step guide frozen				



Layoffs (describe below)	No	NA	NA	No
Non-contractual staffing is a bare bones minimum.				

**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>	1/10/11	
3. On what dates were tax delinquency notices sent out in 2012: <span style="float:right;">Date:</span>	2/15;5/15;8/15;11/15	
4. Date of last tax sale: <span style="float:right;">Date:</span>	12/18/12	

**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:

2011	\$18,883.68	2012:	\$8,161.40	Anticipated Application Year:	\$8,000.00
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2. List the instruments in which idle funds are invested:

None	

3. What was the average return on investments during CY 2012?	.15%
4. When was the last time fee schedules were reviewed and updated?	2009
5. The name and firm of the municipality's auditor?	William Antonides & Co.
6. When was the last time the municipality changed auditors?	1998

**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 Officers	12/31/2013	

**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 for details)**

S&W Line Item	Prior Year Actual	Application Year Proposed	Explanation of Change
Police Salaries & Wages	2.25%	2.25%	January 1, 2014, subject to 2% interest binding arbitration
All Other Departments—S&W			No pay increases since 2010. Furloughs utilized in 2010 & 2011



**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	X	NOT BY TWP		
Sewer Fees	<input type="checkbox"/>			
Water Fees	<input type="checkbox"/>			
Swimming Pool	<input type="checkbox"/>			
Uniform Construction Code	X	YES/solar fees added		
Uniform Fire Code	<input type="checkbox"/>			
Land Use Fees	X	YES		
Parking Fees	<input type="checkbox"/>			
Beach Fees	<input type="checkbox"/>			
Insert other local fees below:	X			
MOBILE HOME PARK	X	YES		SENIOR CITIZEN/LOW-INCOME HOUSING
ALCOHOLIC BEVERAGES	X	YES		AT MAXIMUM
MARRIAGE	X	YES		AT MAXIMUM
DEATH	X	YES		AT MAXIMUM
SOIL	X	YES		
RAFFLE	X	YES		
POLICE TOW YARD	X	YES		

**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)
SEE ATTACHED SHEETS			

**Section XI – Impact of Limited or No Aid Award**

Describe in complete detail the impact if aid is not granted for the current fiscal year; **this priority setting requires that the municipality will maintain a minimum level of essential services.** List the appropriate category of impact if the aid is not received. Rank each item from both lists as to the order in which elimination will take place. If across the board cuts will be made, indicate under service. **For rank order purposes, consider the two sections as one list. The cuts outlined here are one that the municipality is committing to make if they do not receive aid.**

Rank Order	Department	# of Layoffs	Effective Date	2011 Full Time Staffing	2012 Full Time Staffing	\$ Amount to be Saved
	SEE BELOW					

Administrative staff is at bare minimum of 5 full-time employees. Further reductions in staff will adversely impact services.

Police Department has 12 full-time officers and a reduction in force would adversely impact public safety. The monthly incident and response statistics report for 2012 is attached to the hard copy of the Transitional Aid application.

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

Rank Order	Service	Cost Savings	Impact on Services
	SEE ABOVE		

**NOT APPLICABLE**

**Section XII – SPECIAL SECTION FOR APPLICANTS FILING DUE TO IMPACTS OF SUPERSTORM SANDY**

Attach a copy of any application filed with FEMA to receive assistance pursuant to the Community Disaster Loan Program. Explain why the funding sought through that program is insufficient to address budget needs.

Explain the loss of tax ratables due to Sandy and the impact of this tax ratable loss on remaining properties. Attach related disclosure statements issued in conjunction with notes/debt, Assessor documentation of reassessments filed pursuant to guidelines issued by the Division of Taxation, and any other documents that explain taxable ratable losses. Do not include other losses of ratables such as tax appeals unrelated to Sandy.

Explain the loss of other revenues (beach fees, parking revenues, court fines etc.) attributable to the impacts of Sandy.

Explain in detail, all claims and applications your municipality has filed with FEMA, insurance companies and third parties. Provide a good faith estimate of how much in funding you expect to receive. Detail any cost share that your municipality believes it will have to be responsible for paying, including an assessment as to whether those costs are being financed. Please provide any relevant supporting documents.

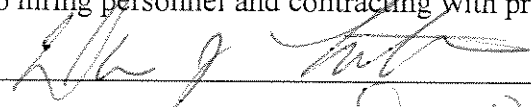
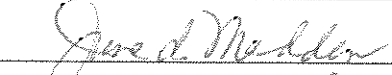

**XII. Agreement to Improve Financial Position of Municipality**

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 is in substantial compliance with the conditions and requirements of the 2012 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:  Date: 3/14/13  
 Chief Financial Officer:  Date: 3/14/13  
 Chief Administrative Officer:  Date: 3/14/13

**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: NA Date: \_\_\_\_\_  
 Chief Financial Officer: NA 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:  Date: 3/14/13

Chief Financial Officer:  Date: 3/14/13

Chief Administrative Officer:  Date: 3/14/13