



LaDaena Johnson-Londo, Mayor

March 28, 2024

Jacquelyn Suarez
Director, Division of Local Government Services
New Jersey Department of Community Affairs
101 South Broad Street
PO Box 800
Trenton, NJ 08625-0800

Re: Requesting prior year Transitional Aid award amount.

Dear Ms. Suarez:

As the Mayor of the Borough of Penns Grove, I am once again respectfully requesting the same amount of Transitional Aid funding of \$ 550,000.00, as received in 2023. The Borough of Penns Grove is steadily moving in the right direction, but we still need additional help to keep the Borough on the right track toward success.

The Governing Body has been faithfully complying with the Fiscal and Recovery Plan. The Borough's Tax Rate increased from 88.19% in 2022 to 88.80% in 2023. Also, the Borough's Valuation increased from \$ 134,190,500.00 in 2022 to \$ 135,239,350.00. The Borough sold multiple properties in 2022 and 2023, putting properties back on the Tax Rolls and increasing the Tax Base. Our Administration values the guidance and help that you have given us as we continue to work for the betterment of the Borough of Penns Grove.

Your consideration of this request is greatly appreciated as the Governing Body looks forward to continuing progress of the Fiscal Recovery Plan.

Sincerely,

Mayor LaDaena Johnson-Londo
Borough of Penns Grove

**1 State Street
Penns Grove, New Jersey 08069
(856) 299-0098, ext. 103**

Transitional Aid Application for Calendar Year 2024 and Fiscal Year 2025

**Division of Local Government Services
Department of Community Affairs**

General Instructions: This application must be submitted in its entirety by April 1, 2024, for CY2024 applicants and September 30, 2024, for FY2025 applicants, for funding consideration under this program. Information contained in the application is subject to independent verification by the Division. Refer to Local Finance Notice 2024-06 when preparing this application for specific instructions and definitions and review the Submission Checklist on Page 19 of this application and listed on Page 7 of the Local Finance Notice.

Name of Municipality:		Borough of Penns Grove		County:	Salem
Contact Person:		Stephen F. Labb		Title:	Chief Financial Officer
Phone:	(856) 299-0098 Ext 107	Fax:	(856) 299-0975	E-mail:	slabb@pennsgrove-nj.org

I. Aid History

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

FY2024 / CY2023	FY2023 / CY2022	FY2022 / CY2021
\$ 550,000.00	\$ 550,000.00	\$ 550,000.00

II. Aid Request for Application Year: (All municipalities currently operating under a Transitional Aid MOU are advised that a decrease from prior year funding of 15% should be anticipated.)

Amount of aid requested for the Application Year:	\$ 550,000.00
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If not seeking a decrease, a letter from the Mayor is required. See Local Finance Notice 2024-06

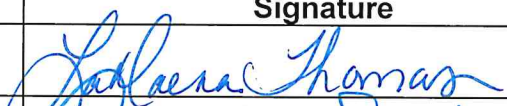
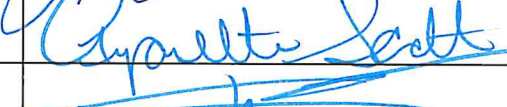
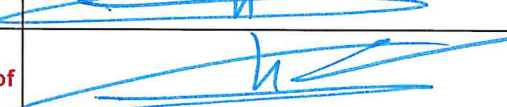

III. Submission Requirements

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
2024 Annual Financial Statement	3/08/2024
2023 Annual Audit	3/26/2024
2023 Corrective Action Plan	Findings to be reviewed with the Business Administrator for further actions.
Application Year Introduced Budget	4/02/2024
Budget Documentation Submitted to Governing Body	3/21/2024

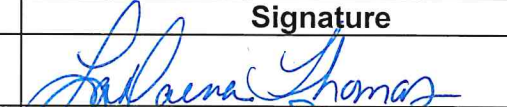
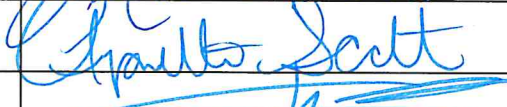
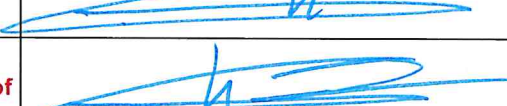
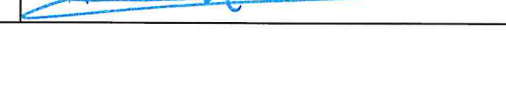
IV.A Application Certification

The undersigned herewith certify that they have reviewed this application and, individually, believe the contents to be true and accurately portray 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		3/28/24
Governing Body Presiding Officer		3/28/24
Chief Financial Officer		3/28/24
Chief Administrative Officer Stephen F. Labb, CMFO Signing on behalf of Administrator Jack Surrency.		3/28/24

IV.B Transitional Aid Recipients Applying in CY2024 / FY2025

Municipalities operating under a Memorandum of Understanding ("MOU") must certify that they are in substantial compliance with all conditions and requirements of the MOU.

Official	Signature	Date
Mayor/Chief Executive Officer		3/28/24
Governing Body Presiding Officer		3/28/24
Chief Financial Officer		3/28/24
Chief Administrative Officer Stephen F. Labb, CMFO Signing on behalf of Administrator Jack Surrency.		3/28/24

V-A. Explanation of Need for Transitional Aid

Explain the circumstances that warrant 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 2024, some of these are continuing conditions mentioned in prior applications which are updated. Since the 2023 Application, the redeveloper did not abide by the terms of the redevelopment agreement and the Borough had to terminate the contract and remove Riverwalk junction as the redeveloper, currently the project is in litigation. The Borough is continuing its best efforts in bringing Development to the Riverfront, which is the Municipality best asset and best hope in becoming self-sufficient. An additional update on redevelopment will be in Section V-C: Actions to Reduce Further Aid.

FACTOR 1: Continuing Condition Municipal Statistics Updated:

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, estimated per capita income for Penns Grove is \$ 15,903.00 versus the state average of \$ 50,995.00, which is 31.19% lower than the New Jersey State average. Medium household income for Penns Grove is \$ 29,821.00 versus the state average of \$ 97,126.00, which is 30.70% lower than the New Jersey State average. Persons below poverty levels in Penns Grove are at 40.50%, which more than **doubles** the state average of 13% Unemployment rate is 8% vs New Jersey State average of 4.8% As the data suggest, the Borough of Penns Grove qualifies as distressed and is **listed number (3) on the Municipal Distressed Cities Index.** (Statistical data from Census Reporter & Niche)

FACTOR 2: Continuing Condition Tax Exempt Properties Updated:

The Borough suffers from a high percentage of properties which are non-ratable. As of 2024, it is estimated that **35.17%** 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: 2024 Exempt Property Listing**).

A. Government, Schools, and Institutions:

1. Salem County Board Welfare Office.
2. Salem County Counseling Services.
3. The Penns Grove-Carneys Point School District Office.
4. The Penns Grove-Carneys Point Middle School.
5. The Penns Grove-Carneys Point Carleton School.
6. The Borough Hall.
7. The Ambulance and Public Works building.
8. Fire Department building.
9. Penns Grove Sewerage Authority.
10. United State Post Office.

FACTOR 2: Continuing Condition Tax Exempt Properties Updated:**A. Public Housing**

1. Penns Grove Housing Authority (2 Properties).
2. Penn Village.
3. Penns Grove Gardens.

B. Non-profit Organizations and Clubs:

1. Tri-County Community Action Agency
2. B.P.O.E Elks.
3. Penns Grove Historical Society.
4. American Legion.
5. Travelers Temple Association

D. Churches:

The Borough of Penns Grove presently has fourteen (14) active churches which own twenty-two 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.

FACTOR 3: Block 57 Lot 1 Effect on Municipal Collections:

The Borough of Penns Grove Municipal Lien Balance as of 12/31/2023 is \$ 1,686,554.32. Argorosomus LLC Municipal Lien Balance as of 12/31/23 is \$ 809,325.19. This one owner accounts for approximately 48% of the Municipal Lien uncollected balance.

In summary, when considering the size of the Borough of Penns Grove and the percentage of non-ratable properties (35.17%), in conjunction with the amount of uncollected Municipal Lien from one owner, there is a tremendous burden placed on the existing (64.83%) of payers. In many cases the Municipality provides additional services and support without any financial contribution.

FACTOR 4: Subsidized Housing Continuing Condition Updated:

Penns Grove hosts 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 **\$8,982,800.00**. Both facilities have a combined total of 272 units. Which is exempt per 15C as Public Housing 55:14A-20.

Example 2: Penn Village Apartments, which has an assessed value of **\$5,884,900.00**, 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 for the 120-unit complex.

Example 3: Mallard Park Apartments (99 Regional LLC) is a subsidized housing facility, with an assessed value of **\$998,400.00**. The revenue received does not offset the cost associated with this property.

Subsidized Housing grossly underpays its' fair share of property taxes. In 2023, a Penns Grove homeowner with an average assessment of **\$ 86,226.70** paid **\$2,137.79** in local property taxes. Compare this with one of the subsidized housing complexes in the Borough of Penns Grove. The Penns Grove Housing Authority, which has 272 combined apartment units paid **\$ 28,668.04** for 2023. As has been stated previously, the complexes place a much greater demand on the services provided by the Borough, particularly the Police Department. 2023 payment per unit are shown below:

Penns Grove Housing Authority – 105.40 per unit.

The Penn Village Apartments - Payment in Lieu, \$ 354.17 per unit.

Mallard Park - \$ 1,672.32 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 2024 in the amount of \$1,665,579.00 for Salaries & Wages and Other Expenses. Factoring in \$ 880,012.52 for Health Insurance Payments, which includes \$ 578,252.64 in payments for retirees and officers retired on disability. The total for the Police Department is \$ 2,545,591.52. This amount represents over 28.80 % of the 2024 introduced budget for the Borough of Penns Grove.

FACTOR 5: Tax Appeal Block 57 Lot 1 Continuing Condition Updated:

In the case of Seaboard Landing vs. Penn Grove tax appeals on Property Block 57: Lot 1, the Taxpayer is due credits 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 should 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 12/31/2023 is \$ 56,954.50. The Budget Appropriation for 2024 is \$11,390.90 (See attached **Appendix B** for information concerning Tax Appeal Judgement and **Appendix C** Tax Appeal Calculation.)

FACTOR 6:

In following the Borough of Penns Grove Fiscal Evaluation & Recommended Recovery Plan, some of the recommendations mandated a budgetary increase.

- Deputy Tax Collector

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

Show: (1) specific, extraordinary revenue losses, but not as the aggregate of many revenues line items; and (2) specific, extraordinary increases in appropriations, but not as the aggregate of many appropriation line items. Describe the item in 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	2023 Value	2024 Value	Amount of Loss/Increase
Group Health Insurance	\$ 987,000.00	\$ 1,116,000.00	\$ 129,000.00
Description:	Additional Hires, Change in Employee Plan Status		
Capital	\$ 30,000.00	\$ 150,000.00	\$ 120,000.00
Description:	Finish NJDOT Project; Ambulance roof leaking/hazard		
Public Works Salary & Wages	.00	89,408.00	\$ 89,408.00
Description:	Hiring for Public Works Department		
Transitional Aid Anticipated	\$ 550,000.00	\$ 467,500.00	\$ (82,500.00)
Description:	85% of 2023 Award Anticipated		
Police Department Salary & Wages	\$ 1,517,128.00	\$ 1,581,579.00	\$ 64,451.00
Description:	Additional Hires		
Description:			

V-C. Actions to Reduce Future Need for Aid

Detail the steps the municipality is taking to reduce the need for future aid. Include details about shared services and consolidation, 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 collective negotiation, attrition, consolidation, restructuring, or other personnel actions; and
- A plan to eliminate, reduce or constrain the costs of non-essential 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.

PENN GROVE FISCAL EVALUATION & RECOMMENDED RECOVERY PLAN:

1. Continuing to follow the advice of the Recovery Plan for better Government and Fiscal Stability.

BUSINESS ADMINISTRATORS UPDATE:

2. The Borough's Business Administrator updates on various issues ranging from the Recovery Plan to Property Sales and Economic Development.
 - The business administrator is continuing the implementation of the state's recovery plan, which includes working with the engineer to ensure infrastructure, building, and inspection needs are met. This work also includes working with the grant writer to ensure the borough is raising money to fund important projects beyond the operational and capital budgets. The work includes working with attorneys, including the redevelopment attorney to review litigation of vacant land that is unoccupied and undeveloped. The work also includes working with the foreclosure attorney to ensure the borough is foreclosing on the worst violations of unpaid taxes. The work includes working with our solicitor to ensure that personnel, litigation, managing the day-to-day of the borough, and updating ordinances happens in an efficient legal way, minimizing risk.

BUSINESS ADMINISTRATORS UPDATE

- In accordance with the Recovery Plan created by DCA, the administration submitted, and Council approved a mission statement, organizational chart, and job descriptions. The governance committee approved the process for performance evaluations, hiring procedures, and adopted a new personnel handbook, which will be helpful tools for the Business Administrator. The borough was also tasked to “establish experienced senior management team”. Although this is a continued work in progress, the borough’s second business administrator, who was tasked to continuing economic development. Mr. Surrency has a master’s in Community Economic Development, and experience working with small businesses, municipal government, and the nonprofit sector. He also has knowledge of Penns Grove and other impoverished neighborhoods throughout Southern New Jersey. The borough business administrator will continue to work for efficient operations taking in account staffing needs and administrative needs.

CONTINUING THE MISSION STATEMENT OF THE BOROUGH OF PENNS GROVE

- Continuing the Mission of the Municipal Government of the Borough of Penns Grove is maintaining the Borough as a safe, clean, and healthy environment for residents, the business community, their guests, employees, and customers. We will accomplish our mission by providing cost-effective municipal programs that will promote, enhance, and protect the quality of life in the Borough of Penns Grove, and deliver municipal services in an efficient, responsive, courteous, and professional manner. We are a community that appreciates our differences and recognizes that unique skills, knowledge, and backgrounds bring strength to our community. Municipal government will be open, receptive, and willing to embrace innovative strategies for municipal progress. Our government is a partnership, and we will continue to seek creative ways to encourage communication among residents, elected and appointed officials and staff.

AUCTION UPDATE

3. For decades Penns Grove has suffered with a high level of abandoned and vacant properties. Under the previous administration, there were dozens of foreclosures for unpaid taxes or sewer bills. In the beginning of 2021, the borough owned approximately 90 properties that it had no interest in. Those properties included non-conforming lots, conforming lots, and structures including houses and a few commercial properties. Learning lessons from the past, the borough avoided managing its own auction. We wanted to cast a wider net throughout the region to attract quality investors, contractors, in those who have an interest in growing in Penns Grove so that we could raise the most money. The borough selected Max Spann to manage the auction because the company has a history of success in the region. We studied how the auction occurred in Philadelphia, Trenton, and Atlantic City in particular. Max Spann and the administration looked at every property and determined that every property except for those with questionable ownership or squatters would be auctioned. Max Spann hosted an information session that attracted dozens of people from the area and throughout the northeast region. As of November 14, 2022, the results of the Borough of Penns Grove Property Auction by Max Spann are as follows:

1. 18 Properties sold.
2. The amount received by the Borough of Penns Grove from Property Auction is \$ 580,000.00.
3. \$ 991,400.00 in Assessed Valuation added to the Municipal Tax Base.

Updated Property Sales as of 12/31/2023 are as follows:

1. 5 Properties sold.
2. The amount received by the Borough of Penns Grove from Property Auction is \$ 292,000.00
3. \$ 297,000.00 in Assessed Valuation added to the Municipal Tax Base.

CONTINUING ECONOMIC DEVELOPMENT

Continuing the borough's economic development plan. Continuing the core strategy to attract new businesses to the borough and to keep existing businesses here. We are continuing the process of examining our zoning rules to make sure that they are appropriate and modern through the updating of the borough's Master Plan. The Master Plan will give future municipal guidance in the areas of physical, economic, and social development and set the basis of policy surround the same for the borough. At the completion of the Master Plan the borough intends to develop a Redevelopment Plan as the borough has already been deemed in need of rehabilitation. The Redevelopment Plan will define the borough's desired outcomes effectively creating policy related to future business occupancy, job creation, commercial and residential growth. The borough also shares information from federal and state programs, including the NJEDA, with business owners so that they are aware of the grants and other opportunities that they have for growth. Penns Grove is small enough that we can directly talk to many business owners to give them confidence that the borough is advancing; those advancements include updating our technology infrastructure with municipal management software, updating our website, and updating our ordinances.

CONTINUING TO EXPAND THE RATABLE BASE

4. The Borough of Penns Grove expanded the ratable base by an additional \$ 297,000.00 in 2023 from the auction of Borough owned properties facilitated by Max Spann. This will be a continuing process that will benefit the Municipality by making sure that properties are put back on the tax rolls, which increases the Municipalities Tax Base distributes the tax burden and increases home ownership.
- The Borough is continuing to review all designated **Areas in Need of Development** designated over the last decade. With the guidance from the reexamination of the Master plan, we are identifying spaces that can be developed into small businesses. We speak about these opportunities at events such as the local Rotary.
- We are continuing to strengthen the relationship with DCA's Construction officials. They meet with contractors every Thursday at the office. We are encouraging landlords and contractors to utilize the service and share their methods with contractors or vendors that come to the borough hall for various reasons.

CONTINUING TO EXPAND THE RATABLE BASE

- Two of our biggest real estate assets - one at the waterfront facing the Delaware River and there other three of four blocks on a central borough intersection – are currently locked in litigation due to decisions made under the prior administration. Although we hoped to win or settle the case by now, due to a slowed system in Superior Court, the suits for linger. The borough is prepared to deal with any outcome so that the land can be developed as a tax paying entity that will also attract more residents and new businesses to come. The owner Argorosomus LLC Municipal Lien Balance as of 12/31/23 is \$ 809,325.19. This one owner accounts for approximately 48% of the Municipal Lien uncollected balance.

SHARED SERVICES

5. To provide the best service to the Taxpayers of the Borough of Penns Grove, it was decided to bring the Tax Collector in house to continue the exceptional services that were provided last year. Also with much consideration, Public Works was outsourced through private contracting which provides savings to the Taxpayers.
- We also have a police dispatch agreement with Salem County and intend to keep that in place. The borough has participated in conversations about municipal court and school district consolidation. We have done a preliminary analysis to determine potential advantages and issues that could arise if approved.
 - The DCA Construction office processes permit's and has a great working relationship with the zoning officer and other staff to deliver good services to the public.

POLICE DEPARTMENT UPDATE

6. The Borough's police department operates best with three officers on patrol, totaling 16 rank and file officers. We have operated with two or three per shift throughout the last year due to an ongoing shortage.
- The Borough was requested by the State Monitor to do an evaluation of the Police Department. The Borough of Penns Grove has expressed a desire to restructure the department. On February 6th a Resolution was passed authorizing the Police Department Evaluation and to explore all options that are fiscally sound and cost effective. Any option must take into account the community policing model that takes into account ethnic and financial diversity.

POLICE DEPARTMENT UPDATE

- There is already an existing mutual aid agreement with several surrounding municipalities including Carney's Point, which is a force multiplier based on demands and needs at no additional cost to Penns Grove.
- Continuing to reduce overtime by hiring new officers. We are strategically moving officers from shift to shift to cover gaps. Our OIC comes in four hours early to cover shifts when needed. Officers from other places may fill time for a full platoon, as is with the mutual aid agreement.
- The reputation of the department continues to improve. There has been a reduction of citizen complaints based on internal affairs investigations and community feedback. This also decreases the chances of lawsuits.

CONTROL AND REDUCE SPENDING

7. We have taken serious demonstrable steps to control and reduce spending. As mandated by our state monitor and reflective of fiscal responsibility, we only increase expenditures that are necessary and prepare the Budget with State Monitor input. The Borough will implement the Edmunds on Cloud System, in which offsite departments will have access to the department's budget. The Finance Office will also implement online department purchase orders through the Edmunds system, which will make approval ordering and processing much more efficient.

PROPERTY AUCTION UPDATE 2023

8. An additional (5) Properties were sold in 2023 from the result of the Max Spann auction in the amount of \$ 292,000.00 with an Assessed Valuation of \$ 297,000.00 added to the Municipal Tax Base. (See Appendix D) for Properties Sold and added Assessed Valuations)

PLANNING BOARD/TTL FORECLOSURES ATTORNEY UPDATE**IN REM FORCLOSURES**

9. In Spring of 2023, a judicial moratorium suspending municipal tax foreclosures in the State of New Jersey was issued by the State's Courts pursuant to the United States Supreme Court decision of Tyler v. Hennepin County – with prevailing law finding that the State's municipal foreclosure process was unconstitutional. While the legislature and judiciary work to pass laws and court rules consistent with the high court's ruling, the municipality has been working with its land use and redevelopment professionals to continue to develop our existing portfolio of eligible borough-held realty and engage developers. Additionally, progress and tentative settlements has been made in resolving long standing redevelopment litigation in furtherance of the Borough's redevelopment efforts.

WAWA REDEVELOP ZONE

Construction has begun to build a Wawa retail and gas commercial facility. Further, in Winter of 2023, additional development in the Wawa redevelopment zone was approved with the Planning Board approving a site plan amendment to add a McDonald's fast-food restaurant on the site in addition to the Wawa.

DEVELOPMENT OF NEW MASTER PLAN

In 2023, the Borough authorized drafting of a new Borough Master Plan by its engineering professionals. Engaging the community throughout 2023 and revising the aging plan has led to its completion and imminent adoption by Borough's land use board and Council next month.

DEVELOPMENT OF ADDITIONAL COMMERCIAL RATABLES

The Borough's land use board and council authorized designation of the entirety of the municipality as an area in need of rehabilitation. Commercial authorization of several commercial development properties has been approved pursuant to this designation and goals of the pending new Master Plan.

SOLICITORS UPDATE

10. The Borough has been working on a comprehensive Redevelopment Plan which includes both the Riverwalk Area as well as the Scattered Sites Areas which were the subject of litigation. We are currently negotiating to obtain title to the Riverfront and given that there is a significant tax obligation, there is a likelihood of success. Since 2021, the Flameworks and Scattered Sites Litigation has been settled, paving the way for a concentration on redevelopment of those specified areas. In addition, the Borough severed its ties to Carneys Point under the prior Shared Services Agreement for Public Works due to an impasse in negotiations, which could not be reconciled. Consequently, the Borough has been in the process of updating its Public Works capabilities to provide necessary services at a level required for its residents. In this regard, the Solicitor has been active in creating Public Works policies and protocols for operation.

The Business Administrator is a relatively new position in the Borough and the concentration has been on creating and developing the systems of accountability in the provision of necessary services. We have fulfilled all of the requirements of the Recovery Plan as set forth by the State. We are actively exploring the potential for a Shared Services Agreement which will provide us with a high level at an acceptable cost.

SOLICITORS UPDATE

We have recently engaged an Economic Development Consultant with a proven record of accomplishment in that area. It is expected that this service's addition will allow the Borough to attract new business entities to the Borough. This is especially important given the Borough's ventures with cannabis. Our current plan includes three cannabis facilities which we expect to open in late 2024. Also, the consultant will be working on the preeminent project, which is acquiring a Supermarket to eradicate the current food desert.

Our plan is to streamline work processes so that there is interconnectivity between departments and functions. To that end, we have updated our IT capabilities to provide better service to residents. The implementation of a new Community Notification System allows us to contact residents in real time with both emergency and no-emergency notifications. We have purchased the Edmunds Software Suite, which will provide synergistic contact between Borough entities and will allow residents to conduct certain functions online. These systems will allow us to maximize employee work hours and productivity.

Public Works is a mainstay of municipal services. As set forth above, our Public Works Department will need updated equipment to handle limited functions. We have received Supplemental Aid which will allow us to purchase updated equipment. Our first major purchase will be a dump truck which will extend our capability to respond to emergencies. We will also be looking to enter into a Shared Services Agreement to address our Stormwater and Pump issues.

TAX COLLECTION PROCEDURES UPDATE

11. The effort to hire a Tax Collector in 2023 continues to payoff. The Tax Collection Rate increased by 1.58% from the prior year. The Tax Collector has incorporated the following Collection Practices:

- Online payment portal through Borough website (credit, debit, e check).
- Drop box for after hour's payment.
- Accept online payment checks from various banks (owner online banking).
- Accept wire transfers for payment.
- Accept partial payment for quarterly taxes.
- Multiple notice of delinquency and tax sale intentions.
- Multiple emails to mortgage companies notifying them of delinquency and tax sale.
- Bills issued reflect payment options available.
- Work with Assessor to maintain accurate records for mailing of bills to new owners.
- Monitors deeds recorded at County level to update billing for new owners.
- Issues notices of delinquency to lenders who do not escrow but maintain a mortgage on the property.

TAX COLLECTION PROCEDURES UPDATE

- Provide information on deductions (Senior, veteran, Disabled, Homestead, and Property Reimbursement) to owners as tax relief options.
- Credit and debit cards are accepted at the Tax Office Window
- Accept an appropriate municipal lien assignment by resolution which allows collections to resume on parcel.
- Addition-accepting appropriate redemption in installments plan for municipal lien by resolution, which allows collections to resume.

12.

ENGINEERS UPDATE**BOROUGH OF PENNS GROVE ENGINEERING**
&
INSPECTIONS STATUS REPORT**MARCH 2024****MATTERS FOR GENERAL DISCUSSION & FOLLOW UP**

1. The FY' 2024 NJDOT Municipal Aid application period opened on April 30, 2023. The Borough has indicated that it is interested in pursuing an application for the reconstruction of Lanning Avenue between W Pitman Street and W Line Street. RVE coordinated with the Borough to provide engineering assistance for an application for funding which was submitted to the NJDOT through SAGE on June 28, 2023. The funding of \$189,377.00 for this project was approved. A design proposal was submitted to the Borough for approval at their February 6, 2024, council meeting. The design is ongoing.
2. RVE submitted an application for Discretionary Municipal Aid to NJDOT on December 13, 2023, for the resurfacing of Penn Street from Poplar Street to West Line Street (Penn Street, Phase V Project). A resolution of approval for the submittal of this application to NJDOT was approved by Borough Council at the February 6, 2024, meeting.

ENGINEERS UPDATE**ENGINEERING STUDIES, INVESTIGATIONS, & GRANT APPLICATIONS****MUNICIPAL STORMWATER ASSISTANCE GRANT**

This NJDEP grant offers up to \$25,000.00 in funding for original Tier A municipalities for efforts required for compliance with the 2023 Final Municipal Separate Storm Sewer (MS4) Tier A Permit. \$15,000.00 is disbursed upon receipt of the grant application, with the remainder to be disbursed upon receipt of the MS4 Infrastructure map required within 36 months of the Effective Date of Permit Authorization (EDPA).

The Tier A MS4 permit and grant application was forwarded electronically to NJDEP on June 30, 2023. The Borough has received the initial disbursement of \$15,000.00.

Our office was approved to provide engineering and reporting services and outfall mapping required for permit compliance previously. RVE prepared a proposal for GIS infrastructure mapping services for the Borough's stormwater structures as required for the Tier A MS4 permit, which was approved at the August 17, 2023, Council Meeting. The surveying field work of all public and private areas has been completed and the plan mapping was forwarded to Borough representatives on November 10, 2023, for review and comments. RVE has submitted the infrastructure mapping to NJDEP on January 30, 2024.

NJ ASSET ACTIVATION PLANNING GRANT PROGRAM

RVE is working with the Cumberland County Improvement Authority and Triad Associates to complete the predevelopment planning necessary for the \$50,000 grant received by the Borough from the NJEDA to support the development of an economic analysis and feasibility study to guide and assist the Borough in its pursuit to spur economic development through the use of otherwise under-utilized land and buildings within the Borough.

ENGINEERS UPDATE**CAPITAL IMPROVEMENT AND / OR GENERAL ENGINEERING PROJECTS****GENERAL ENGINEERING**

1. RVE is assisting the Borough as necessary for Street Opening Permit requests.
2. RVE has assisted the Borough's Office of Emergency Management Coordinator with the preparation of Penns Grove's portion of Salem County's Hazard Mitigation Plan.
3. RVE has updated the tax maps to reflect the lot consolidations and subdivisions created within the last few years.

DELAWARE AVENUE PUMP STATION

This project involves upgrades to the Delaware Avenue Stormwater Pumping Station funded by the FY' 2020 Small Cities Community Development Block Grant (CDBG) Program in the amount of \$440,000.00. An extension was granted by the DCA for which the project must be constructed by 12/31/2023. The project was advertised on June 26, 2023, and the bid opening was Tuesday, July 18, 2023, at 10:30am at Borough Hall. Sub-Level Installations, Inc. was the low bidder. The project was awarded to Sub-Level Installations, Inc. at the August 17, 2023, Council Meeting. The preconstruction meeting was held on August 31, 2023, and the project construction is ongoing. The project has been completed in January 2024, with the installation of the tide gate. Additional electrical work requested by the electrical code official is being reviewed by RVE and Triad Associates. The remaining funds available are being considered to be used to replace a pump at the Mill Street Pumping Station.

STRAUGHENS LANE PUMP STATION

RVE was approved for the Straughens Lane Pumping Station project at the July 18, 2023, Council Meeting. This project involves upgrades to the Straughn's Lane Pump Station funded by the FY' 2022 Small Cities Community Development Block Grant (CDBG) Program in the amount of \$345,600.00. RVE has submitted a proposed change of scope to Triad Associates to replace the variable frequency drive (VFD) which determines the pump speed and to replace pump no.1. The scope change would include the replacement of the outfall pipe which has been dislodged and cracked. Triad Associates agreed that no approval from the DCA for the change of scope would be necessary. The project design will commence in March 2024.

ENGINEERS UPDATE

EAST PITMAN STREET STORM SEWER INFRASTRUCTURE IMPROVEMENTS

This project involves improvements to the storm drainage system along East Pitman Street between Broad Street and Barber Avenue, funded by the FY'2021 Small Cities Community Development Block Grant (CDBG) Program in the amount of \$400,000.00. Our office submitted a scope of services and cost proposal for professional services in the amount of \$52,225.00 in March of 2022. The project was awarded to RVE at the July 5, 2023, Council Meeting. A request was made to the DCA to extend the limits of the project to include an area of potholes along East Pitman Street beyond Barber Avenue. DCA approved this project limit extension on July 31, 2023, and the project design has been completed and advertised. The bids came in over budget and RVE has proposed to reject the bids. RVE will make adjustments in the design to allow a less cost which must be reviewed by the Borough and Triad Associates for re-bid in April 2024.

76 S VIRGINIA AVE (BLOCK 95, LOT 14) ENVIRONMENTAL ASSESSMENT

This project involves environmental due diligence services for Block 95, Lot 14 which was recently acquired by the Borough through tax lien foreclosure. Our office has conducted a Preliminary Assessment in compliance with the New Jersey Department of Environmental Protection (NJDEP) Technical Requirements for Site Remediation due to its designation as a "Known Contaminated Site" with a "Known Source or Release with Groundwater Contamination". We have prepared and submitted a Preliminary Assessment Report (PAR) to the Borough on March 31, 2023, which was approved at the April 18, 2023, Council meeting. The resolution approving Remington & Vernick Engineers to provide LSRP services was also approved at that Council meeting. The preparation of the LSRP paperwork necessary to close out the environmental work with NJDEP at this site is ongoing and an additional proposal for these services was approved at the July 5, 2023, Council Meeting. We submitted the Hazardous Discharge Site Remediation Fund (HDSRF) Grant application to NJDEP on October 18, 2023, to assist with the funding for LSRP services.

ENGINEERS UPDATE

MS4 COMPLIANCE SERVICES

The Borough is currently working to comply with New Jersey Department of Environmental Protection (NJDEP) regulations for the 2023 Final Municipal Separate Storm Sewer (MS4) Tier A Permit. RVE was approved to coordinate with the NJDEP and bring the Borough up to date with reporting requirements, assist with implementation of Community Wide Ordinances, and develop a Stormwater Pollution Prevention Plan (SPPP). Our office has continued to coordinate with the NJDEP to meet reporting requirements. We have gathered stormwater system information and prepared the required Annual Reports and Supplemental Questionnaires for retroactive compliance from 2017 to 2021, which were submitted through the NJDEP online portal. We will be updating the 2022 Annual Report for submittal to NJDEP and we will begin the development of the Stormwater Pollution Prevention Plan (SPPP) in accordance with the 2023 General Permit. We have attended the mandatory Stormwater Program Coordinator training and Stormwater Management Design Reviewer training in August 2023. RVE is working on completing the required annual MS4 documentation for the Borough.

FY' 2021 NJDOT TRUST FUND IMPROVEMENTS TO PENN STREET (PHASE IV)

This project involves improvements to Penn Street from West Pitman Street to West Line Street, including replacement of concrete sidewalk, curb and gutter, and ADA compliant curb ramps along this section of roadway. We assisted the Borough in preparing a time extension request for \$173,893.00 in NJDOT State Aid funding for this project. We have received an additional time extension request to allow time for NJDOT review of project documents and award by August 16, 2023. RVE developed the plans, specifications, and bid documents for the bid opening to occur on Tuesday, July 25, 2023, at 10:30am at Borough Hall. Think Pavers Hardscaping, LLC was the low bidder. The project was awarded at the August 2, 2023, Council Meeting. The preconstruction meeting was held on September 21, 2023. The contractor began construction on October 19, 2023. The project construction and the punchlist were completed. A final change order in the amount of \$1,859.52 was submitted on January 25, 2024, to NJDOT for approval. The NJDOT submitted comments from their inspection in February 2024. RVE and the contractor are working to resolve the comments.

FY' 2022 NJDOT TRUST FUND IMPROVEMENTS TO PENN STREET (PHASE IV)

This project involves the resurfacing (mill & overlay) of Penn Street from West Pitman Street to Poplar Street. The total NJDOT State Aid funding received for this project is \$61,527.00 from the grant award and urban allotment. RVE developed the plans, specifications, and bid documents for the bid opening to occur on Friday, October 13, 2023, at 10am at Borough Hall. Think Pavers Hardscaping, LLC was the low bidder. The project was awarded at the October 17, 2023, Council Meeting. The contractor began construction on November 21, 2023, for the roadway resurfacing. The concrete gutter replacement at the Poplar Street intersection was completed in February 2024.

ENGINEERS UPDATE

MASTER PLAN PREPARATION

This project involves the preparation of a new Master Plan in coordination with the Borough of Penns Grove. The Steering Committee, consists of 13 individuals:

An initial meeting was held on May 15, 2023. Members have completed the SWOT (Strengths/Weaknesses/Opportunities/Threats) analysis for the report, and our office work regarding the land use element is ongoing. The first public meeting to discuss the Master Plan occurred on Monday, October 23, 2023. A Steering Committee meeting was scheduled on January 31, 2024, and a draft copy of the Master Plan was submitted for review to the Steering Committee. A public meeting to discuss the Master Plan will be scheduled for the March 20, 2024, Planning Board meeting. There is an estimated completion date for the Master Plan of April 2024.

COMMUNITY CENTER – 111 LANNING AVENUE

This project involves the design and reconstruction of the existing building at 111 Lanning Avenue as a community center. The Borough received \$413,000 in FY2021 from the USDA Community Facilities Program for the engineering design and reconstruction of this community center and Triad Associates requested additional funding of \$250,000 in FY2024 for the engineering design only, which was denied. The proposal from RVE to prepare the feasibility study and building evaluation necessary to complete the USDA Application (CDS – Congressionally Directed Spending) was approved at the August 17, 2023, Council Meeting. A draft of the report was forwarded to the Borough and Triad Associates on October 17, 2023. Triad Associates has coordinated with the USDA regarding the application for funding and the application will be submitted by May 2024.

PLANNING & ZONING BOARD INSPECTION PROJECTS

GATEWAY COMMUNITY ACTION PARTNERSHIP

This project consists of the construction of a 2,230 square foot building addition to an existing preschool facility along with additional parking spaces. The preconstruction meeting was held on 2/13/24. Site clearing has been completed and soil erosion and sediment control items have been installed. Site work construction is approximately 5% complete.

ENGINEERS UPDATE

PRELIMINARY INVESTIGATION FOR THE AREA IN NEED OF REDEVELOPMENT STUDY FOR 76 S. VIRGINIA AVENUE (BLOCK 95, LOTS 10 & 14)

This project consists of the preparation of preliminary investigation for redevelopment eligibility which will require an analysis of existing conditions to determine the extent to which conditions reflect the statutory criteria necessary to sustain a redevelopment declaration as determined by the Local Redevelopment and Housing Law N.J.S.A. 40A:12A-5. The proposal from RVE to prepare this investigation was approved at the October 17, 2023, Council Meeting. The results of the investigation were presented at the January 10, 2024, planning board meeting. The Planning Board accepted the findings to designate Block 95, Lots 10 & 14 a non-condemnation area in need of redevelopment. A subsequent resolution from Borough Council was received at the February 20, 2024, Council Meeting.

ZAWA PENNS GROVE

This project consists of the construction of a Wawa building and gas station, pad site buildings, parking lots, utilities, and stormwater management systems. The preconstruction meeting was held on 6/28/2022. Demolition of the existing buildings has been completed, and construction of the new Wawa commenced in November 2023. Site work construction is approximately 80% complete. Construction of the gas tanks and building commenced in February 2024.

AZ PENNS GROVE (Auto Zone)

This project consists of the construction of an Auto Zone building, parking lot, utilities, and stormwater management system. RVE recommended release of the performance guarantee on 1/5/2023. The applicant posted the maintenance bond of 3,334.50 and stormwater management bond of \$977.25 on 3/6/2023. The maintenance bond expires on February 20, 2025.

V-D. Discussion of Health Benefits

Skip this section if using SHBP. If not using SHBP, explain why the municipality's current health benefits plan is cheaper, or what other reasons exist to reject this alternative. 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 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 dollar value of the commission paid in each year.

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

Conner Strong & Buckelew Companies, Inc. are the brokers of records 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 Broker is receiving from the insurance company. The Broker is receiving 2% commission for Medical from the insurance company in 2024 and 3.00% commission for prescription in 2024. The Actual value of commission for the last three years are:

• January – December 2021	\$ 19,761.36
• January – December 2022	\$ 21,553.56
• January – December 2024	\$ 25,549.84

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 E**).
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 **\$ 172,216.38 or 16.64%** by not converting over to the State Plan for time period of 1/01/2024-12/31//2024.
 - 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	2022	2023	Introduced Application Year
1. Property Tax/Budget Information			
Municipal tax rate	\$ 2.426	\$ 2.479	\$ 2.605
Municipal Purposes tax levy	\$ 3,256,148.87	\$ 3,352,944.96	\$ 3,543,363.01
Municipal Open Space tax levy	\$.00	\$.00	\$.00
Total general appropriations	\$ 9,061,758.99	\$ 8,833,661.29	\$ 8,838,692.25
2. Cash Status Information			
% Of current taxes collected	88.19 %	88.80 %	%
% Used in computation of reserve	86.00 %	85.89 %	86 %
Reserve for uncollected taxes	\$ 977,291.81	\$ 1,017,476.47	\$ 1,063,390.25
Total year end cash surplus	\$ 1,196,253.19	\$ 1,735,128.65	
Total non-cash surplus	\$.00	\$.00	
Year-end deferred charges	\$.00	\$.00	
3. Assessment Data			
Assessed value (as of January 10)	\$ 134,190,500.00	\$ 135,239,350.00	\$ 136,028,550.00
Average residential assessment	\$ 86,061.00	\$ 86,226.70	\$ 86,728.36
Number of tax appeals granted	8	0	
Amount budgeted for tax appeals	\$.00	\$.00	\$.00
Refunding bonds for tax appeals	\$.00	\$.00	\$.00
4. Staffing Levels			
Total Number of Sworn Police -	15 Full Time	14 Full Time	16 Full Time
Total S&W Expenditures	\$ 1,170,622.50	\$ 1,378,521.78	\$ 1,450,019.00
Class 2 and Class 3 Officers	1 SLEO II	N/A	N/A
Total S&W Expenditures	\$ 12,016.80	.00	.00
Uniformed Fire – Staff Number	N/A	N/A	N/A
Total S&W Expenditures	\$.00	\$.00	\$.00
Number of Other Full-time Employees	9	10	12
Total S&W Expenditures	\$ 419,925.33	\$ 667,835.24	\$ 756,212.00
Number of Other Part-time Employees	20	22	21
Total S&W Expenditures	\$ 248,974.17	\$ 241,915.86	\$ 305,854.00
5. Impact of Proposed Tax Levy			

			Amount
Current Year Taxable Value			\$136,028,550.00
Introduced Tax Levy			\$3,543,363.01
Proposed Municipal Tax Rate	2.605	Average res. value (#3 above)	\$86,728.36
Current Year Taxes on average residential value (#3 above)			\$ 2,259.16
Prior Year Taxes on average residential value			\$2,150.00
Proposed increase in average residential taxes			\$109.16

VII. Application Year Budget Information**A. Year of latest revaluation/reassessment**

2018

A1. Most current equalized ratio

84.32%

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 \$ 22,763.18		
3. Is the Application Year budget at (appropriation) cap? If NO, amount of remaining balance		X
\$ 299.03		
4. Does the Application Year anticipate use of a waiver to exceed the appropriation cap? If YES, amount:		X
\$		

C. List the five largest item appropriation increases:

Appropriation	Prior Year Actual	Application Year Proposed	\$ Amount of Increase
Group Health Insurance	\$ 986,941.63	\$1,116,000.00	\$129,058.37
Capital: Finish NJDOT Grant, Ambulance Roof Leaking	\$ 30,000.00	\$150,000.00	\$120,000.00
Public Works Salary & Wages	.00	\$89,408.00	\$89,408.00
Police Salary & Wages	\$1,529,357.44	\$1,581,579.00	\$52,221.56
Other Insurance Plans	\$384,000.00	\$430,962.00	\$46,962.00

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

Department/Agency	Position	Number	Dollar Amount
Public Works	Public Works Supervisor	1	\$38,422.00
Revenue Administration Tax Collection	Dputy Tax Collector/Finance Floater	1	\$ 32,118.00

- 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	*	*	*	*	*

*Significant reductions in Aid cannot be realized until Riverfront 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. (Edmunds GovTech)	X	
6. Does the municipality operate the public assistance program?		X
7. Are expenditures controlled centrally (Yes) or decentrally 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 not, be prepared to discuss why not in your application meeting.		

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 Benefits	SHBP X		

C. 1) Salary and employee contract information (when more than one bargaining unit for each category, use average):

Question	Police	Fire	Other Contract	Non-Contract
Year of last salary increase	2023	N/A	N/A	2023
Average total cost percentage increase	2%	%	%	2% and an additional 2.24 % for the lowest paid (2) full-time Deputies employees %
Last contract settlement date	2021			
Contract expiration date	2024			

Application Year: CY2024 / FY2025

Municipality: Borough of Penns Grove

County: Salem

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

Action	Police	Fire	Other Contract	Non-Contract
Furloughs (describe below)				
Governing Body/Monitor Decision				
Wage Freezes (describe below)				
Contracts and Wage requests are submitted to the State Monitor for review and approval through the Waiver Process.				
Layoffs (describe below)				
Governing Body/Monitor Decision				

D. Tax Enforcement Practices:

Question	Yes	No
1. Did the municipality complete its accelerated tax sale by December 31, if included in 2024 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.		X
2. When was the last foreclosure action taken or tax assignment sale held: Date:	12/11/2020	
3. On what dates were tax delinquency notices sent out in 2023: 5 Year Letters to mortgage companies that do not escrow emailed 1/5,2/23,3/13,5/15,6/7,7/3,8/11,9/11,10/3,11/27,12/11 &12/27 Date:	2/27,5/30,8/22,12/8/23	
4. Date of last tax sale: Date:	10/16/2023	

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:

2022	\$ 945.77	2023	\$ 21,950.05	Anticipated Application Year:	\$ MRNA
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2. List the instruments in which idle funds are invested:

Various Operating & Trust Funds Checking Accounts	Fulton Cash Management
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3. What was the average return on investments during 2023?

4. Left Blank Intentionally

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

Fulton Cash Management which accounts maximize earning through analysis %
Bowman and Company

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

2021

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 Association	2024	

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	2023 PILOT Billing	2023 Assessed Value	2023 Taxes If Billed in Full at 2022 Total Tax Rate	Term of Tax Abatement
Penn Village Apartments B-110 L-12 B-110 L-13	Affordable Housing	\$ 42,500.00	\$ 5,884,900.00	\$304,072.78	No more than 50 years nor less than the term of the NJHFA mortgage. Signed 1972.
Penns Grove Apartments B-141, L-1	Affordable Housing	\$ 204,402.00	\$ 3,468,700.00	\$179,227.73	Full force as such rate as agreed upon and so long as the successor entity qualifies under HMFA LAW
Penns Grove Housing Auth. Silver Run Apartments B-94, L-3 Total P.G. Housing Authority	Affordable Housing	\$ 28,668.04	\$ 8,982,800.00	\$464,141.28	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-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
			Layoffs, furloughs, wage freezes, contract concessions would be through contract negotiations in which the State Monitor would be involved, and the Governing Body would make the decisions concerning any layoffs, furloughs or wage freezes. The same conditions would apply to non-contract employees.

Application Year: CY2024 / FY2025	Municipality: Borough of Penns Grove	County: Salem
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Application Year: CY2024 / FY2025	Municipality: Borough of Penns Grove	County: Salem
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Application Year: CY2024 / FY2025	Municipality: Borough of Penns Grove	County: Salem
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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.

[illegible]

IX-C. Evaluate existing local revenues, as to whether 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 are 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"/>		\$ 20,000.00	Due to Social Economic Conditions, Council believes that providing programs will curb mischief and help promote the good aspects of the community.
Sewer Fees	<input type="checkbox"/>			
Water Fees	<input type="checkbox"/>			
Swimming Pool	<input type="checkbox"/>			
Uniform Construction Code	<input type="checkbox"/>			
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:	<input type="checkbox"/>			
Land Use Escrow fees for in-house staff	<input type="checkbox"/>			
Land Use Escrow fees for independent contractors	<input type="checkbox"/>			

Section XI – Impact of Limited or No Aid Award

Describe in detail the impact if aid is not granted for the current fiscal year. Essential services needs should be given priority. 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 ones that the municipality will make absent a grant of aid.**

Rank Order	Department	# Of Layoffs	Effective Date	2022 Full Time Staffing	2023 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 28.80% of the Municipal Budget.					
2	General Government, even though currently staffing is still 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.

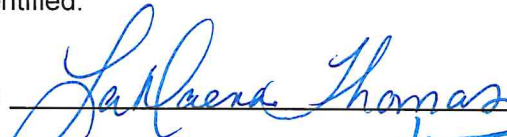


XII. Agreement to Improve Financial Position of Municipality

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 (MOU) 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.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Implement actions directed by the Director to address the findings of Division staff.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. Enter into a new Memorandum of Understanding (MOU) and comply with all its provisions, without exception.	<input checked="" type="checkbox"/>	<input type="checkbox"/>

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 2023 MOU and is operating in good faith to correct those areas of noncompliance that have been identified.

Mayor:  Date: 3/28/24
 Chief Financial Officer:  Date: 3/28/24
 Chief Administrative Officer:  Date: 3/28/24

Stephen F. Labb, CMFO Signing on behalf of Administrator Jack Surrency.

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."

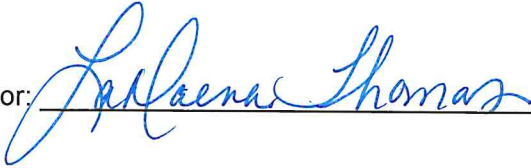
Human Resources or Personnel Director: _____ Date: _____

Chief Administrative Officer: _____ Date: _____

XV. CERTIFICATION OF APPLICATION FOR TRANSITIONAL AID

The undersigned acknowledges the municipality must comply with the foregoing requirements to receive Transitional Aid. In addition, included with this application is a copy (printed or electronic) of the budget documentation supporting the budget calculation that was provided to the governing body.

Mayor:



Date:

3/28/24

Chief Financial Officer:



Date:

3/28/24

Chief Administrative Officer:



Date:

3/28/24

Stephen F. Labb, CMFO Signing on behalf of Administrator Jack Surrency.

APPENDIX A

Submission Checklist:

- ☐ Signed and certified application.
- ☐ Copy of introduced budget, Annual Financial Statement, and budget documentation.
- ☐ Organization charts.
- ☐ Copies of current labor contracts.
- ☐ Copies of salary ordinance/resolutions and any contracts of non-union affiliated individuals.
- ☐ Debt service schedules for all municipal obligations, including municipally operated utilities; all listed by payment date.
- ☐ For prior recipients requesting level or increased funding, a letter from the mayor explaining why they failed to reduce their need for funding.
- ☐ For new applicants, a governing body resolution authorizing application and agreeing to State supervision immediately upon filing of the application.
- ☐ A list of all motor vehicles owned or leased by the municipality (excluding construction equipment and fire apparatus); the agency assigned to its use; if the vehicle is assigned to an individual, the name of the individual; and if the vehicle is used by the individual outside of the regular workday or taken home by the individual.
- ☐ A certification that copies of all active collective negotiation agreements and the cost-out of each have been delivered to PERC. Support documentation regarding the method of cost out must also be provided.
- ☐ List of all existing shared service agreements.
- ☐ List of documented efforts to share municipal services, including public safety dispatch, code enforcement, public health services, and other services offered by neighboring municipalities, area boards of education, local authorities, or the county, if those costs are less than the current full cost of providing equivalent service.

Submission Instructions:

- E-mail electronic forms to dlgs@dca.nj.gov, with "<name of municipality> Transitional Aid Application" in the subject line.
- Submit one copy of the signed application form and any printed documents to:
Transitional Aid Program
Division of Local Government Services
101 South Broad Street
PO Box 803
Trenton, NJ 08625-0803