



Bridgeton News

State aid here drastically cut

Wednesday, March 05, 2008

By **JASON LADAY**
jladay@sjnewsco.com

The state aid forecast is not looking good for small townships and boroughs within Cumberland County.

And if your municipality has a population of less than 5,000, it looks even worse.

On Tuesday, Trenton officially released the proposed municipal state aid figures for calendar year 2008, according to Gov. Jon S. Corzine's fiscal year 2009 state budget, which the governor presented to the legislature on Feb. 26.

The state aid figures released by the New Jersey Department of Community Affairs Division of Local Government Services Tuesday afternoon foretell deep cuts in funding to local governments, as well as to consolidated municipal property tax relief aid.

In Cumberland County, communities hit worst by the spending cuts include smaller municipalities like Shiloh Borough, which could see a 44 percent decrease in state aid, and Hopewell Township, set to receive a 42 percent cut in aid.

Bridgeton, Millville and Vineland, as well as Upper Deerfield Township, will see between 6 to 8 percent decreases, according to the 2009 budget.

A notice attached to the aid figures quoted Corzine as saying, "My budget takes the necessary and painful steps to reconcile years of mismatch between recurring expenditures and recurring revenues ... by cutting taxes.

"With regard to local aid, hospitals, higher education and health care, we sought to minimize, retarget and share the burdens of cuts as responsibly as possible," said the governor. "For instance, while all categories of municipal aid will be reduced, communities with populations of less than 10,000 will receive less direct support.

"However, these communities will receive priority consideration for \$32 million to develop shared services or consolidation agreements."

In addition to municipalities with less than 10,000 people getting less overall aid, those with populations with less than 5,000 will not receive any municipal property tax relief aid from the state.

In Cumberland County, only Bridgeton, Millville and Vineland boast more than 10,000 residents, according to 2006 population estimates.

Exactly half of the municipalities in the county are home to less than 5,000 people.

"This is about exactly what I expected after reading the articles in the paper about the budget," said Hopewell Mayor Bruce Hankins, of the state aid figures. "This is going to have a substantial impact on our budget.

"(The governor) says this is to reduce taxes, but what it really does is force smaller municipalities to increase property taxes."

According to Hankins, the current, tentative township budget includes a 1-cent increase in the local purpose tax.

However, the mayor said a 44 percent decrease in state aid would mean an additional local purpose tax increase of 9 cents for Hopewell residents.

"My hope is that some of that aid is restored when the state Legislature goes over the budget," said Hankins. "I think that's realistic. What this is, is reducing the state debt on the backs of small municipalities. Shiloh is one of the leanest municipalities out there, and it seems they're getting punished for being small and efficient."

The approximately 650 residents of one-square-mile Shiloh Borough are set to receive the largest decrease in state aid in the county, according to the budget.

"I haven't gone over the hard figures, and we still have to discuss it as a council, but I can tell you I don't like it. It's disappointing," said Shiloh Councilman Hal Davis. "It's a bad deal. It's kicking the smaller communities while we typically manage our resources better than the bigger cities and the state."

Bridgeton had been notified last week state aid to the city would be scaled back to fiscal year 2006 levels under Corzine's proposed budget, Business Administrator Arch Liston said Tuesday.

Bridgeton officials still are waiting to hear how the proposed budget will affect the aid the city receives through the state Department of Community Affairs' Distressed Cities Program.

Bridgeton has been a part of the DCA program since November 2004. It has received \$2.5 million through the program each of the last several years.

Mayor Marion Kennedy, of Fairfield Township, and Vineland City Council President John Barretta did not immediately return messages seeking comment.

© 2008 Bridgeton News

© 2008 NJ.com All Rights Reserved.