

**APPENDIX A
CITY OF PERTH AMBOY,
IN THE COUNTY OF MIDDLESEX, NEW JERSEY**

GENERAL INFORMATION OF THE CITY OF PERTH AMBOY
COUNTY OF MIDDLESEX, NEW JERSEY

(Unless otherwise noted, the following information was obtained from the City of Perth Amboy.)

General Information

Perth Amboy, New Jersey (the “City”) is a small urban community that was once a focal point of the State of New Jersey. A City with a rich cultural history and a three hundred year old maritime and industrial legacy, it is an interconnection point for major highways, railroads, and waterways.

Founded in 1683 and chartered in 1718, the City played a prominent role in our nation’s and state’s history, serving as the state capital until 1790 and the location of the Middlesex County Court House until 1793. Perth Amboy’s City Hall was the site of the first signing of the Bill of Rights in 1790, and was also the historic location of the first African-American to cast a vote in the United States under the Fifteenth Amendment of the United States Constitution in 1870. Today, the City has a diverse multi-ethnic population and continues to serve as a point of entry for many new immigrants to our nation.

Located in the center of the State, midway between New York and Philadelphia, Perth Amboy is at the “crossroads” of major transportation systems connecting the Northeast Corridor. The City links the primary road, rail, air, and water transit facilities in the region. The New Jersey Turnpike, Garden State Parkway, and Interstate Highway 287 all intersect within a few miles of the City. Newark Liberty International Airport, located only twenty minutes from the City, offers convenient transportation, while LaGuardia and John F. Kennedy Airports can be reached within one hour. New Jersey Transit provides frequent daily commuter rail service directly to Pennsylvania Station in mid-town New York City via Newark, New Jersey with interconnections to the P.A.T.H. subway system and a direct rail link to Newark Liberty International Airport. The highway system provides access to Manhattan within a forty-five minute drive. Finally, the City’s position at the confluence of the Raritan River, Arthur Kill, and Raritan Bay provides deep-water access to the Atlantic Ocean for national and international marine traffic.

The residential areas of the City are primarily located in the northeast, central, and southern sections. The commercial areas are primarily located along the major boulevards, while the industrial areas are located along the north, east, and southwest perimeters of the City.

In March 1997, the City created the Perth Amboy Redevelopment Agency (PARA) and adopted an aggressive redevelopment plan - FOCUS 2000. PARA was charged with developing and implementing the redevelopment within the City in conjunction with the City’s Special Improvement District and Urban Enterprise Zone. Through over \$1.0B of public/private partnership initiatives, PARA’s efforts to date have generated millions in revenue to the City, created over a thousand jobs, and remediated over 100 acres of brownfield properties. Its ongoing efforts include additional residential, retail and commercial/industrial projects throughout the City.

The City comprises a land area of 4.55 square miles with a population of 50,814 according to the 2010 Census. Utilities for the City are provided as follows: Electric - PSE&G, gas - NUI/Elizabethtown, water and sewer – Middlesex Water Company/City of Perth Amboy, and cable television – Comcast and Verizon FIOS.

Local Government

The City government operates under the Mayor-Council Plan B of Chapter 210 of New Jersey Laws of 1950 (Optional Municipal Charter Law of the State of New Jersey). The Mayor is the chief executive and administrative officer of the City and is elected to a four-year term. The Mayor appoints all officers and employees of the City unless otherwise provided by law. The City Council is a five-member body elected to staggered four-year terms. The City Council acts as the legislative branch of local government.

All elected officials are elected at-large and serve a four-year term. Elections are nonpartisan. The City Council meets the second and fourth Wednesday of every month for regular meetings; caucus sessions are held the Monday before the council meeting at 4:30. These meetings are open to the public and are in compliance with the New Jersey Open Public Meetings Act. The public is given an opportunity to speak on matters before the governing body as well as any topics that concern them.

Since 1995, the City has videotaped its public meetings and televised the meetings and other City events to the public through the local cable television public access channel.

The present members of the Governing Body are as follows:

<u>Members</u>	<u>Title</u>	<u>Term Expires*</u>
Wilda Diaz	Mayor	12/31/12
Kenneth Balut	Council President	12/31/12
Fernando Gonzalez	Council Member	12/31/12
Kenneth L. Gonzalez	Council Member	12/31/14
Joel Pabon, Sr.	Council Member	12/31/14
William A. Petrick	Council Member	12/31/14

**Ordinance 1532-2010, adopted on October 27, 2010, established November Election Day as the date for Perth Amboy's Nonpartisan Municipal Elections and extended the term of all persons in office at the date of ordinance adoption through December 31 of the year of the November general election effecting their position.*

The City government is organized into seven departments together with two statutory departments. These departments include: Administration, Law, Police, Fire, Public Works, Code Enforcement, and Human Services. The two statutory departments include the City Clerk and Tax Assessor. The City operates a Parking Utility and a Water-Wastewater Utility. In addition, there are the following semi-autonomous agencies within the City government: Free Public Library, Municipal Court, Planning Board, Zoning Board and Redevelopment Agency. An autonomous authority, the Perth Amboy Port Authority, also serves the City.

The Mayor: The Honorable Wilda Diaz was sworn in as Mayor of the City on July 1, 2008, becoming the first woman to hold that office.

Prior to taking office, Mayor Diaz spent 20 years in the banking industry. Starting as a teller at a local bank after graduating from Perth Amboy High School in 1983, she quickly rose through the ranks. Mayor Diaz was an assistant vice president with Banco Popular when she won the mayoral seat in May 2008. Prior to taking office, she resigned from her position at Banco Popular.

A dedicated community activist, Mayor Diaz chaired the Board of Trustees for the Jewish Renaissance Foundation Medical Center, a non-profit group that provides health care to underserved communities. She was a driving force behind the Puerto Rican Patriotic Cultural Committee (Comité Cultural Patriótico Puertorriqueño de Perth Amboy), which sponsors the annual Hall Avenue Puerto Rican festival. She also served as a member of the Perth Amboy Merchants Association (PAMA), and was honored as “Businesswoman of the Year” by local organizations such as the Puerto Rican Association for Human Development (PRAHD), PAMA, and the Jewish Renaissance Foundation.

Born and raised in Perth Amboy, Mayor Diaz and her husband, Greg, have two children, Gregory and Samantha.

The Business Administrator: The Department of Administration is comprised of the following offices and divisions: Office of the Business Administrator, Personnel, Purchasing, Finance, Tax Collection, and Economic and Community Development. Gregory C. Fehrenbach, currently serving as Interim Business Administrator, heads this department and is the City’s chief operating officer. With more than 35 years of experience as a municipal and county administrator in the State of New Jersey, Fehrenbach was appointed to the position of City Business Administrator effective January 1, 2011. He also serves as the City’s authorized representative for the water and wastewater public-private partnership with Middlesex Water Company. In addition, the Business Administrator serves as chief of staff to the Mayor and oversees the City’s operations and policies through the City’s department directors. The Business Administrator is responsible for the preparation of the City’s annual operating budget and all labor contract negotiations. The Business Administrator attends all City Council meetings as a representative of the Administration for advisory purposes.

Education

The Perth Amboy Board of Education (the “Board”) provides education for all pupils in pre-kindergarten through twelfth grade and operates as a Type II District under the Education Law, codified as Title 18A of the New Jersey Statutes. The Board has nine (9) elected members who are residents of the City. The City has three pre-schools, five elementary schools, two middle schools for grades 5-8, and one High School. The Board also operates a comprehensive adult school program.

In 2000, the Board completed an \$80 million school renovation and building program. This program has provided for the complete renovation of the two middle schools, the renovation and expansion of two elementary schools, and the construction of two new replacement elementary schools. A state approved long-range facility plan will provide an additional \$125,000,000 for construction of new school facilities. Under this plan, two early childhood centers and a K to 4 elementary school were completed, the second early childhood center having opened in 2009. Also planned are a second K to 4 elementary school and a new high school.

The past enrollments of the District are as follows:

<u>Year</u>	<u>Enrollment</u>
2001-2002	9,029
2002-2003	9,139
2003-2004	9,268
2004-2005	9,679
2005-2006	9,425
2006-2007	9,537
2007-2008	9,742
2008-2009	9,708
2009-2010	10,451
2010-2011	10,782

Source: Perth Amboy Board of Education

In addition to the public school system, there are a number of parochial elementary schools in the City that are independently administered and operated.

A County Vocational and Technical High School is also located within the City limits. The County of Middlesex (the “County”) completed construction of a replacement campus facility in the City that that was officially opened in May 2004. The \$30 million construction project includes a state-of-the-art high school that provides the latest vocational and technological curriculum programs. The facility also provides a modern urban satellite campus for Middlesex County College.

Middlesex County College, the State’s largest community college, is located in nearby Edison Township. A number of college level courses, as well as adult enrichment programs, are offered locally at a branch site of the college located in downtown Perth Amboy. Rutgers, the New Jersey State University, is located in nearby New Brunswick.

Services

The City provides a variety of services consisting of police and fire protection, maintenance of city streets, sanitation and recycling collection, health and welfare services, park and recreational facilities, as well as cultural activities.

Police Department: The City's police department is staffed by 107 uniformed officers, civilian 911 dispatchers, civilian report takers, and a complement of non-uniformed support personnel. A Police Director heads the department. In addition to the usual protective services afforded the community, the department also maintains a crime prevention unit, a special investigations unit, a public relations office, and an aggressive juvenile bureau. The department operates a centralized 911 dispatch communication center for all emergency services housed in police headquarters. A recap of the City's crime index for the past ten years is illustrated below:

<u>Year</u>	<u>Total Crimes</u>	<u>% Increase/Decrease Over Prior Year</u>
2001	1,573	-7%
2002	1,735	+10%
2003	1,615	-7%
2004	1,185	-27%
2005	1,369	+15%
2006	1,375	0%
2007	1,329	-3%
2008	1,358	+2%
2009	1,231	-9%
2010	1,336	+9%

Source: NJ Uniformed Crime Reports
*As of 12/31/2010

Fire Department: The City's Fire Department is comprised of a combination of career and volunteer forces that provide fire suppression, emergency medical, and rescue services. A Fire Chief, who also serves as the Fire Director, heads the department.

There are a total of forty-nine paid firefighters and officers who operate out of Fire Headquarters, utilizing a fleet of 10 fire and rescue apparatus. There is a 40-member volunteer fire force that is called upon on a twenty-four hour basis to assist in fire suppression and other support functions to augment the career firefighters. All members of the career fire force as well as members of the Police Department further support the City's Emergency Medical Service through an integrated "First Responder" program.

Public Safety/Court/Recreational and Community Center Facility and Fire/Emergency Services Complex: The City has completed a state-of-the-art facility to house the municipal court, police headquarters, fire headquarters, and emergency services. The Perth Amboy Public Safety Community Complex also includes a Health & Wellness Center, family recreation areas, and a large aquatics area. The facility houses two indoor sports courts, a walking/jogging track,

free-weights, a group exercise studio, strength and cardio equipment, a Performing Arts Theater, and two swimming pools. Multi-purpose rooms and a childcare area are also available. The complex is centrally located on a 12-acre site. The fire headquarters and emergency services building was completed in December 2006. Additional space in the fire building is occupied by code enforcement. The municipal court and police headquarters became operational in the Fall of 2008, while the aquatics center opened a year later. The community fitness center is operated under an agreement with the Raritan Bay YMCA.

Public Works Department: The City provides full solid waste services to its residents and a comprehensive recycling program through the Department of Public Works. The department consists of sixty-nine employees responsible for the operations of the following divisions: engineering, road repair, solid waste, parks, buildings and grounds, electrical, and vehicle maintenance. The department operates a solid waste transfer station, the first municipal transfer station in the County, and disposes of over 20,000 tons of solid waste in the County landfill. The department participates in the State's Clean Communities Program. The department maintains and provides snow plowing and road repair for its 88 miles of roads.

Human Services/Recreation Department: The City has a wide range of parks, athletic fields, and open spaces. Perth Amboy's parks and recreation facilities make a substantial contribution to the quality of life in the City and enhance its reputation as a desirable place to live. This is nowhere more evident than along the waterfront where harbor vistas and panoramic views provide a spectacular setting for a wide range of recreation activities including walking, jogging, fishing, sailing, concerts, or just sitting and relaxing.

The City operates 21 parks comprising 108 acres. Major recreational facilities include the following: Youth League Complex which provides youth sports activities including baseball, softball, soccer, basketball, and football; a 1,300 seat lighted baseball stadium at Rudyk Park; and a skate park at the renovated Washington Park. Numerous neighborhood parks have been upgraded. Construction projects at Patten Park, Bayview Park, and Willow Pond have been completed. The Recreation Department provides a multitude of organized sports, club, and cultural activities yearly.

The City also has a municipal marina, operated by the Perth Amboy Port Authority through a lease agreement. The marina area, known as Harborside, consists of 144 boat slips, a brick-paved harborwalk, two fishing piers, and a marina facilities building. The 1½-mile Harborwalk connects to historic sites and the Sadowski Parkway beach area, which also has two additional fishing piers.

The Department of Human Services consists of the following other divisions: Housing and social services, aging, public information, and vital statistics. The department works closely with a network of City, County, and non-profit social service organizations to meet the varied needs of the community.

Code Enforcement Department: The department directly monitors all activities relating to the construction, renovation, or maintenance of property. Staffed by twelve full and part time employees, it offers diverse services through its divisions, which include: construction official, housing and property maintenance code enforcement, fire prevention, and zoning. These divisions oversee all activities relating to the use, occupancy, or physical condition of every property. A recap of the construction permits issued during the most recent four years is illustrated below:

<u>Permit Type</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Building	884	713	571	676
Electrical	476	504	730	529
Plumbing	403	436	429	404
Fire Protection	392	413	478	334
Elevator	7	7	6	1
Total	2162	2073	2214	1944

Source: Department of Code Enforcement

Economic & Community Development Office: The Office of Economic and Community Development pursues and administers funding programs for a variety of city projects. The office is instrumental in planning and overseeing development of various public projects. It also assists with private revitalization.

As an urban city, the City receives U.S. Housing & Urban Development funds which include the Community Development Block Grant Program (CDBG) and HOME Program. The City annually receives approximately \$750,000 in CDBG funds and \$500,000 in HOME funds. The CDBG funds are used for a variety of public service activities, housing, historic preservation, and public improvement projects. The HOME funds are used to develop or build affordable housing units within the City. The City has successfully administered the federal CDBG program for more than thirty years.

Free Public Library: The City operates a free public library that participates in a Middlesex County Inter-Local Service Agreement, providing the public with direct reciprocal borrowing privileges to the collections of approximately thirty-five Public Libraries in surrounding communities. In addition, the Library is a member of the Middlesex County Library Automation Consortium, which supplies and maintains free Internet public access. In cooperation with the New Jersey State Library, Interlibrary Loans throughout the country are also available to the public.

The Library's core collection consists of approximately 150,000 book volumes and subscriptions to over 444 periodicals. The Perth Amboy Free Public Library was opened on December 9, 1903 and is believed to be the first Carnegie library in New Jersey. A major exterior renovation project of the Library building was completed in early 1998. The City is exploring a complete renovation and addition to the present structure. Since 2003, the Library has been the recipient of Bill and Melinda Gates Foundation Grants, which provide for the upgrade and expansion of its public computer access.

City Workforce

As of December 31, 2010*, the City employed a workforce totaling 407 full and part-time employees, consisting of 321 full-time employees and 86 part-time employees among the various departments of City government and six elected officials. A comparative recap of the City's budgeted full time workforce is illustrated below:

City's Budgeted Full Time Workforce

<u>Department</u>	<u>Fiscal Year Ended</u> <u>June 30, 2009</u>	<u>Fiscal Year Ended</u> <u>June 30, 2010</u>	<u>Budgeted Calendar</u> <u>Year 2011</u>
Police (Uniformed)	116	113	112
Fire (Uniformed)	52	48	50
Public Works	72	67	71
All Other Departments	113	103	108
Water System Utility	13	1	1
Wastewater System Utility	5	0	0
Parking Utility			3
Total	371	332	345

Source: Official Budget Document
*Per the December 2010 Payroll Data

Medical Facilities

The Raritan Bay Medical Center offers a total of 510 beds to residents both north and south of the Raritan Bay area. A medical staff of approximately 450 physicians and a professional nursing and service staff of approximately 1,800 render medical/surgical, maternity, pediatric and general and critical care, as well as extensive outpatient services (through the Joseph S. Yewaisis Outpatient Center), drug addiction treatment, specialized women's and children's care, and 24-hour emergency care. In 2004, Raritan Bay Medical Center received the National Magnet Award for Nursing Excellence.

The County administered Raritan Bay Mental Health Center is located in the City and provides comprehensive outpatient psychiatric care as well as substance abuse and family counseling.

Growth

The story of the City is very similar to that of countless other industrial centers in the Northeast. The lure of the Sun Belt and the changing national economy has had its effects on the

City and a drain of industry and commercial properties from it. During the 1980's period of high economic growth, the City was adversely impacted due to a sewer moratorium that prevented major development and growth. The sewer ban lasted almost a decade and was finally lifted in 1991.

Since 1991, the City has undertaken a series of initiatives to foster economic development and create new employment opportunities. In 1992, the City created a Special Improvement District, encompassing the central business district and contiguous commercial areas. The Special Improvement District has been successful in reducing commercial vacancies, improving marketing and sales for businesses, funding facade improvements and attracting new shoppers to the City's downtown.

In 1994, the City was designated an Urban Enterprise Zone which affords qualified businesses various tax incentives in exchange for increased employment. The most significant incentive is the ability to charge only one-half of the State's sales tax to shoppers. The 3.5% sales tax revenues generated from the qualified business is held in trust by the State and is used by the City to fund capital improvements and business development programs. Over \$19 million has been generated and re-invested into the City's urban enterprise zone. The designation as an Urban Enterprise Zone has provided for business expansion and retention, and focused a renewed interest on development in the City.

The City adopted a redevelopment plan in March 1997 known as *FOCUS 2000*. Almost 1,000 acres of abandoned, underutilized, and contaminated parcels of land are included in three target areas located in the northeast, east, and southwest sections of the City. The plan's long term goal is to physically transform these properties into socially and economically productive parcels of land that will attract new businesses, create new employment opportunities, offer middle and upper income housing, and expand the City-wide tax base.

The economic development initiatives that the City has undertaken since 1991 have expanded the City's tax base and employment opportunities. The following companies continue to make significant investments in the City's revitalization effort:

Raritan Bay Medical Center: The Perth Amboy Division is a state-of-the art medical facility for City and area residents, and the largest employer in the City. As of March 2010, it employed 1,478 workers.

Vira Manufacturing, Inc.: A leader in the design and installation of highly effective fixtures, custom displays, and themed environments for retail customers, Vira relocated and consolidated its New Jersey facilities to the City in 2002, and presently employs 154 individuals.

Preferred Freezer Industries, Inc.: Preferred Freezer Services offers the most modern, state-of-the-art, full service temperature controlled warehouses in the United States. The company began providing cold storage services in 1989 from their 1.3-million-cubic-foot warehouse in the City where they currently employ 85 full-time employees.

Tropical Cheese Industries: Tropical Cheese employs 261 workers and made an investment of \$1.3 million in 2010, with an additional capital investment of \$1.5 million dollars

projected for 2011. Tropical Cheese Industries manufactures specialty dairy products under the Paisano, El Molino Rojo, and Tropical brand names to satisfy the specialty fresh cheese needs of Caribbean and Hispanic consumers living throughout the US. It distributes its products primarily along the East Coast.

Individualized Shirts Co.: One of the nation's leading manufacturers of custom shirts, Individualized Shirts, formed in 1961, employs 250 workers and recently completed a \$500,000 modernization program at its 35,000 square foot facility in the City. Also a manufacturer of readymade shirts, Individualized Shirts offers custom shirts from a wide array of imported fabrics that are virtually unlimited in terms of color, fabrication, and pattern.

Walgreens: A leading national pharmacy chain, Walgreens has an 11,000 square foot retail store located on State Highway 35, adjacent to the Raritan Bay Medical Center. Employing 42 workers, Walgreens made a private investment of \$115,900 in 2010.

U.S. Foodservice: The Metro New York Division of US Foodservice opened a 615,000 square foot facility in the City, the largest broadline food distribution center in the Northeast. The full distribution facility features state of the art construction, eco-friendly and high-efficiency lighting and refrigeration systems, and a first-class culinary innovation center. US Foodservice employs 546 individuals at this location and made a capital investment of \$700,000 in 2010.

Englert Inc.: An innovator in both the gutter and metal roofing businesses, Englert currently employs 129 employees and made a private capital investment of \$8.8 million dollars in 2010. It is one of the few single-source aluminum roof manufacturers with an in-house coil coating line.

V & S Amboy Galvanizing: V&S offers the highest-quality galvanizing for structural steel and fasteners. The company offers quality hot dip galvanizing, paint over galvanizing (COLORZINQ®), and the exclusive DUROZINQ® package, which combines hot dip galvanizing services, shipping, consultation, and custom zinc paints. V & S currently employs 45 individuals at its location within the City, and in 2010, made a private capital investment of \$369,000.

Walker Zanger: A comprehensive stone and tile company, Walker Zanger has 17 showrooms nationwide. The Perth Amboy location employs 27 people.

Aristacare At Alameda Center: Oak Park/Aristacare at Alameda Center has been providing quality care for over 30 years. Services include cardiac telemetry monitoring, sub-acute care, IV therapy, respiratory & tracheostomy care, Alzheimer's care, and long-term care in a home-like setting. The 313 staff members including nurses and therapists (ACLS certified), and physicians make them a leader in skilled nursing and rehabilitation care. The center offers 7-day a week intensive rehabilitation and specialized programs for Hispanics and Indians.

ShopRite: Wakefern is a cooperative and wholesale provider comprised of 46 members who own and operate retail supermarkets under the ShopRite banner in New Jersey, New York, Connecticut, Pennsylvania, Delaware, and Maryland. Wakefern Food Corporation is the largest

retailer-owned cooperative in the United States. The ShopRite supermarket in Perth Amboy employs 50 full-time and 157 part-time employees. It made a private capital investment of \$309,000 and has projected a capital investment of \$1.2 million dollars for 2011 by expanding and upgrading the Perth Amboy store.

Madsen & Howell, Inc.: Family owned and operated since their inception in 1909, Madsen & Howell is one of the Northeast's principal independent industrial distributors and one of the largest in New Jersey. Their Perth Amboy headquarters is home to the company's state-of-the-art 120,000 square foot warehouse employing 39 people.

Other entities that have made significant investments in the City in 2010 include:

<u>Company</u>	<u>2010 Investment</u>	<u># Employees</u>
Jewish Renaissance Medical Center	\$4,000,000	147
Kinder Morgan	\$2,500,000	61

Housing Programs

The City provides various housing programs in the form of grants and loans. Successful programs include the following: Regional Contribution Agreement (RCA) programs, low interest loan program, senior citizen grant program, first time home buyers assistance program, paint program, rental rehabilitation program, and lead-based paint abatement program. The RCA programs provided for the rehabilitation of 158 affordable housing units targeting single family and owner occupied multi-family units.

Other housing needs of the City are being met by four community based non-profit organizations. These organizations include the Perth Amboy Housing Authority, Catholic Charities, Cathedral Community Development Corporation, and the Puerto Rican Association for Human Development.

Redevelopment Initiatives

The City's FOCUS 2000 redevelopment plan has progressed from a general citywide planning tool to a design and implementation phase initiative. The Redevelopment projects have a potential of nearly \$2 billion of private reinvestment in the City that will expand the City's tax base by approximately \$780 million over the next five years. Illustrated below are the current redevelopment projects:

Landings at Harborside – A \$600 million redevelopment project consisting of mixed-use residential, retail, and recreational venues to the City, Landings at Harborside is currently in redesign to include a community center, public waterfront esplanade, parks, and marina. Project construction began in 2003. *Landings* received the required local and state permit approvals and is currently acquiring properties within the designated redevelopment area. *Landings'* first

residential building with 78 units was sold out during the pre-construction offering and is now occupied. The Bayview, the second building in the project, was completed in 2007. The Project is progressing with the continuation of construction of site plans and predevelopment site work for the third building, property acquisition, relocation of existing businesses, remediation of ongoing environmental concerns, construction of bulkhead along the Arthur Kill, and demolition of phase 1 properties – visually and physically opening up the waterfront area. The transformation of Perth Amboy’s waterfront continues at a slow pace.

Cornucopia Dinner/Cruise Ship and Commuter Ferry Service – A \$20 million project that capitalizes on the new industrial road and NJDOT bridge replacement, this project has remediated environmental contamination and improved the appearance of the gateway to the City – a long awaited and much needed improvement. PARA successfully negotiated the sale of the southern portion of the former IGI property. A one-million dollar revenue was realized by PARA from this sale and forwarded, in full, to the city budget. The project allowed for the relocation of an existing successful city business as well as set the stage for a high-speed commuter ferry with terminal and parking for 400 commuters. The dinner cruise ship facility was fully operational in spring of 2007. The 40-minute ferry ride to Manhattan will potentially include stops at Wall Street’s Pier 11 and Pier 34. The commuter ferry will service both City and County residents. While a public/private partnership with a ferry operator continues to be in the City’s long-term plans, it has been temporarily put on hold in light of the current economy.

Matrix’s Perth Amboy Industrial Park – A \$50 million, approximately 500,000 square foot light industrial warehouse complex situated on 26 acres of Chevron’s former property has brought value-added business and employment opportunities to the City. Construction was completed in 2006, the facilities are fully occupied, and the project has created in excess of 600 jobs as well as new ratables for the City.

Kings Plaza – A \$70 million redevelopment project consisting of mixed-use residential, retail, and parking facilities in the City’s downtown business district, the components of the project include 249 apartment units, 700 parking spaces, and approximately 66,000 square feet of retail space. This project is constructed. Residential and retail portions are occupied.

iPort440 – A \$178 million mixed-use redevelopment project includes warehousing, office space, open space, and retail shopping. This project will be situated on ASARCO’s former 68-acre site and over 100 adjoining additional acreage. One of the most challenging properties in the redevelopment area, this project is currently in the environmental due diligence stage. Environmental remediation in the form of surcharging the site began in 2009. The active surcharging activities were completed in December 2010. PARA issued a Request for Developer Proposals for the site in January 2011 with responses anticipated in May 2011.

Federal Hill – A \$38 million residential redevelopment project that will provide approximately 300 market rate homes on the Schott Brothers and nearby properties on Stanford Street, this project embraces the concept of “transit villages” by providing premier residential units in close proximity to rail and planned ferry transportation as well as the downtown retail district, encouraging pedestrianism and mass transit. With demolition completed in early 2006, construction began immediately thereafter. Phase 1 is complete and fully occupied. Phase 2 is under construction. The Redeveloper approached the City during 2009 to consider converting a

portion of the project to rental with the option to purchase. The request was approved and the project was completed in 2010.

Amboy Corporate Center – A \$75 million redevelopment project providing 1.25 million square feet of light industrial/warehouse capability within two state of the art buildings on the former Chevron tank farm, the project included remediation of environmental contamination, dedication of an 80' right of way for a new road that will traverse the property and connect Amboy Avenue with Convery Boulevard, expansion of the property boundaries of the city's firehouse, and construction of new facilities. A formal redeveloper was designated in 2006. Two tenants have entered into lease agreements: US Food Service and Best Buy. It is estimated that over 1,000 jobs will be created. The construction of the project was completed in 2009. The facilities are completely occupied.

Firehouse Plaza/Liberty Center – This redevelopment project was substantially completed in 2005. It provides improvements along Smith Street, allows for the extension of Hall Avenue to meet the High Street extension – easing traffic congestion, and constructed new retail and office space. The property is fully occupied, providing approximately 40 jobs and nearly \$18,000 in annual ratables.

Sheridan Apartments – This rehabilitation project will convert the building known as Mel's Warehouse into an age-restricted affordable apartment complex. The property, located on Sheridan Street, has been abandoned for a number of years. Site evaluations uncovered environmental concerns, which have since been remediated by the developer. Plans for the building include conversion of the property to residential apartments, a percentage of which will be dedicated senior housing. Construction was completed in 2010.

North Amboy Development – PARA designated an existing property owner as redeveloper of property located at the corner of Maurer Road and Amboy Avenue. This project will allow for the expansion of an existing successful business, V & S, as well as the construction of a new showroom and warehouse facility on the corner. Two additional structures will be occupied by two new businesses. Site work commenced in 2005. Construction of the outer shell is complete; interior construction will be subject to future usage and contractual requirements. The project encountered financial difficulty in 2010. The property was turned over to the bank. A new company has acquired the property and PARA is in the process of assisting in relocating the company to the site.

Shoppes at Victory Village – This \$5M redevelopment project remediated a formerly abandoned property that had fallen into bankruptcy. The project provides for approximately 19,000 square feet of specialty retail space while maintaining a design and scale that compliments the neighborhood. Additionally, 15 market-rate apartment units are located above the retail/office space. The project construction was completed in 2009.

In addition to the above initiatives, the City's redevelopment efforts include several small "in-fill" projects that will transform tax foreclosed and/or underutilized properties into productive commercial and residential properties.

Capital Planning

In accordance with the New Jersey Local Budget Law, the City must adopt and annually revise a six-year capital program budget. The capital budget, when adopted, does not constitute the approval or appropriation of funds, but sets forth a plan of possible capital expenditures that the local unit may contemplate over the six-year period. Expenditures for capital purposes may be made either by ordinances adopted by the governing body setting forth the items and method of financing, or from the annual operating budget if the items are detailed therein. The Calendar Year 2011 Budget for the City anticipated various capital improvements and acquisition of vehicles and equipment with a total estimated cost of \$14,390,600.00, of which \$6,295,600.00 comes from Grants In Aid and Other Funding Sources. Further capital programs in the succeeding fiscal years are anticipated to continue the upgrade in the infrastructure necessary to help revitalize the City and ensure the delivery of essential services.

Collection of Taxes

Property taxes are based upon the Tax Assessor's valuation of all real property located in the City and are levied for the calendar year. The taxes for City, Local School, County, and Special Improvement District purposes are consolidated into one tax levy which is apportioned on each individual tax bill by rate and amount for informational purposes. Taxes levied for the purpose of the Local School District cover the current calendar year. The City remits funds to the Board of Education based on school needs on a periodic basis throughout the year. The City remits taxes for County purposes quarterly, on the 15th day of February, May, August, and November. The City remits taxes for Special Improvement District purposes on the 5th day of March, June, September, and December.

Tax bills are calculated in June, after the budgets are adopted and the County strikes a certified tax rate, and are payable by quarterly installment on the 1st day of February, May, August, and November. The governing body grants a ten-day grace period during which each quarterly installment may be paid without interest or penalty. A change from fiscal to calendar year effective January 1, 2011, resulted in a tax billing based on the formula of calculated rate times assessment, less what was billed in the first six months of the tax year which is based on previous year tax rate. The tax bill issued after the County tax rate is set shows the breakdown of the annual tax rate.

Delinquent tax payments, after a ten (10) day grace period from the due date, are subject to an interest penalty of eight (8%) percent per annum on the first \$1,500.00 of delinquency and eighteen (18%) percent per annum on amounts exceeding \$1,500.00, calculated from the date the taxes were payable until the date of actual payment. Unpaid taxes are subject to tax sale in the same fiscal year in which the taxes are levied on or after November 11th in accordance with the Accelerated Tax Sale Law, Chapter 99, Public Laws of 1997.

Tax Collection History

<u>Year</u>	<u>Tax Levy</u>	<u>Cash Collections</u>	<u>% of Collections</u>
2010	\$90,584,210.04	\$89,776,198.42	99.11%
2009	\$85,857,235.87	\$84,872,436.72	98.85%
2008	\$73,354,827.69	\$73,209,261.17	99.79%
2007	\$63,849,155.40	\$62,905,521.37	98.99%
2006	\$57,072,872.81	\$52,247,591.63	91.54%
2005	\$46,605,401.65	\$46,431,035.89	99.62%
2004	\$43,020,586.57	\$42,868,867.21	99.65%
2003	\$42,949,421.22	\$42,756,006.65	99.54%
2002	\$42,267,790.91	\$42,060,137.53	99.50%
2001	\$41,105,116.19	\$40,767,530.16	99.18%

Source: City of Perth Amboy Audited Financial Statements

Components of Tax Rate

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
Municipal	\$1.516	\$1.475	\$1.329	\$1.280	\$0.89	\$1.600	\$1.38
Local School District	\$0.621	\$0.576	\$0.543	\$0.523	\$0.49	\$1.206	\$1.22
County	\$0.323	\$0.322	\$0.305	\$0.277	\$0.24	\$0.554	\$0.54
Total	\$2.460	\$2.373	\$2.177	\$2.080	\$1.62	\$3.360	\$3.14

Source: Tax Collector

Assessed and Equalized Valuations and Tax Rates

<u>Year</u>	<u>Tax Rate per \$100 of Assessed Valuation</u>	<u>Net Valuation Taxable</u>	<u>Comparative Aggregate Equalized Valuation</u>
2010	2.460	\$3,623,458,400	\$3,720,565,150
2009	2.373	\$3,611,935,700	\$3,912,832,521
2008	2.177	\$3,601,477,000	\$3,893,067,776
2007	\$2.08	\$3,575,020,400	\$3,724,755,574
2006	\$1.62	\$3,576,828,200	\$3,355,373,546
2005	\$3.36	\$1,392,803,350	\$2,362,285,193
2004	\$3.14	\$1,378,894,800	\$1,993,198,612
2003	\$3.07	\$1,388,088,512	\$1,688,261,387
2002	\$3.05	\$1,383,022,191	\$1,576,992,236
2001	\$3.01	\$1,364,644,609	\$1,556,037,182

Source: Tax Assessor

Ten Largest Taxpayers

As of January 1, 2011

Owner of Record	Aggregate Assessed Value	As A Percentage of Assessed Value of Real Property
Chevron Oil Co.	\$141,712,224	4.07%
Harbortown	\$106,341,100	3.05%
Morris Perth Amboy Associates	\$106,090,200	3.04%
Kinder Morgan Liquids Terminal	\$75,885,200	2.18%
Landings at Harborside	\$32,210,400	0.92%
Matrix Perth Amboy Industrial	\$27,150,000	0.78%
Freezestore	\$24,752,600	0.71%
Crompton Corporation	\$23,140,600	0.66%
Tower Management	\$23,000,000	0.66%
Federal Hill	\$20,510,500	0.59%
<i>Total</i>	\$580,792,824	16.67%

Source: Tax Assessor

Comparative Unemployment Rate

	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
City of Perth Amboy	8.1%	10.7%	11.3%	9.3%	8.3%	9.3%	8.2%	10.2%	15.7%	16.0%
State of New Jersey	4.2%	5.8%	5.7%	4.9%	4.2%	4.8%	4.2%	5.5%	9.2%	9.6%
U.S. Average	4.8%	5.8%	6.0%	5.5%	5.1%	4.6%	4.6%	5.8%	9.3%	9.6%

*Source: New Jersey Department of Labor and U.S. Bureau of Labor Statistics

Income Levels

City of Perth Amboy

Median household income, 1999 (dollars).....	\$37,608
Median family income, 1999 (dollars)	40,740
Per capita income, 1999 (dollars).....	14,989
Percent below poverty level, 1999:	
All persons.....	17.6%

County of Middlesex

Median household income, 2008 (dollars)	\$77,015
Median family income, 1999 (dollars)	70,749
Per capita income, 1999 (dollars)	26,535
Percent below poverty level, 2008:	
All persons.....	7.1%

State of New Jersey

Median household income, 2008 (dollars).....	\$70,347
Median family income, 1999 (dollars)	65,370
Per capita income, 1999 (dollars).....	27,006
Percent below poverty level, 2008:	
All persons.....	8.7%

Source: www.census.gov

City of Perth Amboy Debt Summary
(as of December 31, 2010)

GROSS DEBT:

School District Purposes	\$ 15,765,000.00
Self-liquidating Purposes	83,978,424.96
Other	<u>118,094,098.95</u>
Total Gross Debt:	\$217,837,523.91
 (Less: Deductions)	
School District Debt	(15,765,000.00)
Self-liquidating Debt	(83,978,424.96)
Other (1)	<u>(39,185,088.33)</u>
 NET DEBT	 <u>\$ 78,909,010.62</u>

(1) Includes deductions for bonds issued by another Public Body and guaranteed by the City, as well as certain refunding obligations deductible by statute.

3-year Average Equalized Value	\$3,842,155,149
NET DEBT (% of Avg. Equalized Value)	2.05%

Comparative Population

	<u>2010</u>	<u>2000</u>	<u>1990</u>	<u>1980</u>	<u>1970</u>
City of Perth Amboy	50,814	47,303	41,967	38,951	38,798

Source: U.S. Census Reports

**Assessed Valuation of Real and Business Personal Property
By Classification**

Year	Vacant Land		Residential		Apartments		Commercial		Industrial		Total Real Property
	Parcels	Value	Parcels	Value	Parcels	Value	Parcels	Value	Parcels	Value	
2010	318	\$122,396,600	7,626	\$2,130,949,200	163	\$269,974,500	866	\$484,769,400	118	\$615,368,700	\$3,623,458,400
2009	335	119,848,200	7,605	2,133,526,100	163	267,950,900	872	497,028,400	122	593,582,100	3,611,935,700
2008	393	125,408,300	7,531	2,111,910,000	166	282,341,300	885	521,939,300	123	559,939,300	3,601,477,000
2007	378	129,532,600	7,405	2,077,477,800	164	266,474,300	888	430,427,300	124	571,108,400	3,575,020,400
2006	506	144,749,600	7,257	2,027,562,000	169	272,284,300	892	544,981,300	125	587,251,000	3,576,828,200
2005	447	35,984,700	7,283	817,780,150	151	122,015,100	803	203,522,500	137	213,500,900	1,392,803,350
2004	446	37,096,400	7,242	809,526,200	147	115,735,600	800	202,572,400	147	213,964,200	1,378,894,800
2003	306	29,888,000	7,274	810,483,900	144	114,992,600	808	203,698,100	148	224,332,800	1,383,365,400
2002	333	31,692,100	7,252	806,886,000	142	114,528,800	813	200,633,900	155	224,643,900	1,378,384,700
2001	370	33,885,300	7,229	801,966,200	143	101,454,600	815	196,940,800	167	225,546,700	1,359,793,600

Source: Tax Assessor

MUNICIPAL FINANCE - FINANCIAL REGULATION OF COUNTIES AND MUNICIPALITIES

Local Bond Law (N.J.S.A. 40A:2-1 et seq.)

The Local Bond Law governs the issuance of bonds and notes to finance certain general municipal and utility capital expenditures. Among its provisions are requirements that bonds must mature within the statutory period of usefulness of the projects bonded and that bonds be retired in serial installments. A 5% cash down payment is generally required toward the financing of expenditures for municipal purposes. All bonds and notes issued by the City are general full faith and credit obligations.

Debt Limits

The authorized bonded indebtedness of the City for municipal purposes is limited by statute, subject to the exceptions noted below, to an amount equal to 3 1/2% of its average equalized valuation basis. The average for the last three years, of the equalized value of all taxable real property and improvements and certain Class II railroad property within the boundaries of the City, as annually determined by the State Director of Taxation is \$3,842,155,149.

Certain categories of debt are permitted by statute to be deducted for purposes of computing the statutory debt limit, including school bonds that do not exceed the school bond borrowing margin and certain debt that maybe deemed self-liquidating.

As of December 31, 2010, the City's net debt was 2.05% of its Average Equalized Valuation basis. See "Exceptions to Debt Limits – Extensions of Credit" below.

Exceptions to Debt Limits - Extensions of Credit

The City may exceed its debt limit with the approval of the Local Finance Board, a State regulatory agency, and as permitted by other statutory exceptions. If all or any part of a proposed debt authorization would exceed its debt limit, the City may apply to the Local Finance Board for an extension of credit. If the Local Finance Board determines that a proposed debt authorization would not materially impair the credit of the City or substantially reduce the ability of the City to meet its obligations or to provide essential public improvements and services, or if it makes certain other statutory determinations, approval is granted. In addition, debt in excess of the statutory limit may be issued by the City to fund certain notes, to provide for self-liquidating purposes, and, in each fiscal year, to provide for purposes in an amount not exceeding 2/3 of the amount budgeted in such fiscal year for the retirement of outstanding obligations (exclusive of utility and assessment obligations). The City has received approval from the Local Finance Board to exceed its debt limit.

Short-Term Financing

The City may sell short-term “bond anticipation notes” to temporarily finance a capital improvement or project in anticipation of the issuance of bonds if the bond ordinance or a subsequent resolution so provides. Bond anticipation notes for capital improvements may be issued in an aggregate amount not exceeding the amount specified in the ordinance creating such capital expenditure, as it may be amended and supplemented. A local unit’s bond anticipation notes may be issued for periods not greater than one year. Generally, bond anticipation notes may not be outstanding for longer than ten years. An additional period may be available following the tenth anniversary date equal to the period from the notes’ maturity to the end of the tenth fiscal year in which the notes mature plus 4 months in the next following fiscal year from the date of original issuance. The amount of notes that may be issued is decreased by the minimum amount required for the first year’s principal payment for a bond issue commencing in the third year after the date of original issuance of any such notes and every year thereafter through the tenth year described above.

The Local Budget Law (N.J.S.A. 40A:4-1 et seq.)

The foundation of the New Jersey local finance system is the annual cash basis budget. Every local unit must adopt a budget in the form required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the “Division”). Certain items of revenue and appropriation are regulated by law and the proposed budget must be certified by the Director of the Division (“Director”) prior to final adoption. The Local Budget Law requires each local unit to appropriate sufficient funds for payment of current debt service, and the Director is required to review the adequacy of such appropriations.

Tax Anticipation Notes are limited in amount by law and must be paid off in full within 120 days of the close of the fiscal year.

The Director has no authority over individual operating appropriations, unless a specific amount is required by law, but the review functions focusing on anticipated revenues serve to protect the solvency of all local units.

The cash basis budgets of local units must be in balance, i.e., the total of anticipated revenues must equal the total of appropriations (N.J.S.A. 40A:4-22). If in any year a local unit’s expenditures exceed its realized revenues for that year, then such excess must be raised in the succeeding year’s budget.

Miscellaneous Revenues

The Local Budget Law (N.J.S.A. 40A:4-26) provides that “no miscellaneous revenues from any source shall be included as an anticipated revenue in the budget in excess of the amount actually realized in cash from the same source during the next preceding fiscal year, unless the Director shall determine upon application by the governing body that the facts clearly warrant the expectation that such excess amount will actually be realized in cash during the fiscal year and shall certify such determination, in writing to the local unit.”

No budget or budget amendment may be adopted unless the Director shall have previously certified his approval of such anticipated revenues except that categorical grants-in-

aid contracts may be included for their face amount with an offsetting appropriation. The fiscal years for such grants rarely coincide with the municipality's calendar year. However, grant revenue is generally not realized until received in cash.

Real Estate Taxes

The same general principle that revenue cannot be anticipated in a budget in excess of that realized in the preceding year applies to property taxes. The maximum amount of delinquent taxes that may be anticipated is limited by a statutory formula, which allows the unit to anticipate collection at the same rate realized for the collection of delinquent taxes in the previous year. Also, the local unit is required to make an appropriation for a "reserve for uncollected taxes" in accordance with a statutory formula to provide for a tax collection in an amount that does not exceed the percentage of taxes levied and payable in the preceding fiscal year that was received in cash by June 30 of that year. The reserve requirement is calculated as follows:

$$\frac{\text{Levy required to balance the budget}}{\text{Prior year's percentage of City's Current Tax Collection}} = \text{Total Taxes to be Levied}$$

The budget also must provide for any cash deficits of the prior year.

Deferral of Current Expenses

Emergency appropriations (those made after the adoption of the budget and the determination of the tax rate) may be authorized by the governing body of a local unit. However, with minor exceptions, such appropriations must be included in full in the following year's budget.

The exceptions are certain enumerated quasi-capital projects ("special emergencies") such as ice, snow and flood damage to streets, roads and bridges, which may be amortized over three years, and tax map preparation, re-evaluation programs, revision and codification of ordinances, master plan preparations and drainage map preparation for flood control purposes which may be amortized over five years. Of course, Emergency appropriations for capital projects may be financed through the adoption of a bond ordinance and amortized over the useful life of the project.

Budget Transfers

Budget transfers provide a degree of flexibility and afford a control mechanism. Transfers between major appropriation accounts are prohibited, except for: (i) during the first three (3) months of a current fiscal year, appropriation reserves may be transferred to the immediately preceding fiscal year's budget; and (ii) transfers between major appropriation

accounts are permitted during the last two (2) months of a current fiscal year. Such transfers must be approved by two-thirds of the full membership of the governing body of a local governmental unit. Although sub-accounts within an appropriation account are not subject to the same year-end transfer restriction, they are subject to internal review and approval.

Operation of Utilities

Municipal public utilities are supported by the revenues generated by the respective operations of the utilities in addition to the general taxing power upon real property. For each utility, there is established a separate budget. The anticipated revenues and appropriations for each utility are set forth in the separate budget. The budget is required to be balanced and to provide fully for debt service. The regulations regarding anticipation of revenues and deferral of charges apply equally to the budgets of the utilities. Deficits or anticipated deficits in utility operations, which cannot be provided for from utility surplus, if any, are required to be raised in the “current” or operating budget. The City has a Water and Wastewater Utility Fund.

Limitations on Expenditures (“Cap Law”) (N.J.S.A. 40A:4-45.1 et seq.)

Sections 40A:4-45.1-45.40 of the Local Budget Law, commonly known as the “Cap Law”, imposes limitations on increases in municipal appropriations subject to various exceptions. The payment of debt service is an exception to this limitation. The Cap formula is somewhat complex, but basically, it permits a municipality to increase its overall appropriations by the lesser of 5% or the “Index Rate”. The “Index Rate” is the rate of annual percentage increase in the Implicit Price Deflator for State and Local Government purchases of goods and services computed by the U.S. Department of Commerce. The Index Rate for Calendar Year 2011 is 2.5%. Other exceptions to the limitations imposed by the Cap Law also exist for other things including capital expenditures; extraordinary expenses approved by the Local Finance Board for implementation of an interlocal services agreement; expenditures mandated as a result of certain emergencies; and certain expenditures for services mandated by law. The “Cap Law” does not limit the obligation of the City to levy ad valorem taxes upon all taxable real property within the City to pay debt service on any outstanding obligations of the City.

Tax Levy Cap (N.J.S.A. 40A:4-45.44 et. seq.)

Starting with fiscal year 2011 budgets, municipalities are limited to a 2% increase in their tax levy. The levy cap calculation is subject to various adjustments, such as the value of increased assessments and other modifications. The levy cap is in addition to the existing appropriation cap (see above).

Capital Budget

In accordance with the Local Budget Law, each local unit must adopt and may from time to time amend rules and regulations for capital budgets, which rules and regulations must require

a statement of capital undertakings underway or projected for a period not greater than over the next ensuing six years as a general improvement program. The capital budget, when adopted, does not constitute the approval or appropriation of funds, but sets forth a plan of the possible capital expenditures, which the local unit may contemplate over the six years. Expenditures for capital purposes may be made either by ordinances adopted by the governing body setting forth the items and the method of financing or from the annual operating budget if the terms were detailed.

Tax Assessment and Collection Procedure

Property valuations (assessments) are determined on true values as arrived at by a cost approach, market data approach, and capitalization of net income where appropriate. Current assessments are the results of new assessments on a like basis with established comparable properties for newly assessed or purchased properties. This method assures equitable treatment to like property owners but it often results in a divergence of the assessment ratio to true value. Because of the changes in property resale values, annual adjustments could not keep pace with the changing values. A re-evaluation of all property in the City was conducted in 2005 and was effective for the 2006 Tax Year.

Upon the filing of certified adopted budgets by the City's Local School District, Special Improvement District and the County, the tax rate is struck by the Middlesex County Board of Taxation based on the certified amounts in each of the taxing districts for collection to fund the budgets. The statutory provision for the assessment of property, levying of taxes and the collection thereof are set forth in N.J.S.A. 54:4-1 et seq. Special taxing districts are permitted in the State for various special services rendered to the properties located within the special districts.

The City mails tax bills semiannually in June and December. The taxes are due August 1 and November 1 respectively, and are adjusted to reflect the current calendar year's total tax liability. The preliminary taxes due February 1 and May 1 of the succeeding year are based upon one-half of the current year's total tax.

Tax installments not paid on or before the due date are subject to interest penalties of 8% per annum on the first \$1,500.00 of the delinquency and 18% per annum on any amount in excess of \$1,500.00. These interest and penalties are the highest permitted under the State Statutes. Delinquent taxes open for one year or more are annually included in a tax sale in accordance with New Jersey Statutes.

Tax Appeals

State Statutes provide a taxpayer with remedial procedures for appealing an assessment deemed excessive. Prior to February 1 in each year, the City must mail to each property owner a notice of the current assessment and taxes on the property. Taxpayers have a right to petition the County Board of Taxation on or before April 1 for review of their assessments. The County

Board of Taxation has the authority after a hearing to decrease or reject the appeal petition. These adjustments are usually concluded within the current tax year and reductions are shown as cancelled or remitted taxes for that year. If the taxpayers feel their petition was unsatisfactorily reviewed by the County Board of Taxation, appeal may be made to the Tax Court of New Jersey for further hearing. Some State Tax Court appeals may take several years prior to settlement and any losses in tax collections from prior years are charged directly to operations.

The Local Fiscal Affairs Law (N.J.S.A. 40A:5-1 et seq.)

The Local Fiscal Affairs Law regulates the non-budgetary financial activities of local governments. The chief financial officer of every local unit must file annually, with the Director, a verified statement of the financial condition of the local unit and all constituent boards, agencies or commissions.

An independent examination of each local unit accounts must be performed annually by a licensed registered municipal accountant. The audit, conforming to the Division of Local Government Services' "Requirements of Audit", includes recommendations for improvement of the local units financial procedures and must be filed with the report, together with all recommendations made, within six months after the close of the fiscal year and must be published in a local newspaper within 30 days of its submission. The Director may grant an extension for the completion of the audit. The entire annual audit report for the year ended June 30, 2010 for the City is on file with the Clerk and is available for review during business hours. It is also accessible on the City's website: www.ci.perthamboy.nj.us.