

initiative for municipalities facing ballooning public employee pension liabilities and an economy in peril. Its purpose is to keep property taxes down and prevent service cutbacks and possible lay-offs. That rationale will not stand if the potential payment savings are used to justify municipal property tax relief funding cuts.

Please contact your legislators and urge them to consider that potential issue, as State Budget deliberations proceed. Also contact your legislators to communicate your position on the pension payment deferral initiative.

We have also been advised by the Division of Local Government Services that your pension payment and any amount you may wish to set aside to satisfy your deferred liability (the difference between the 50% you will pay to the Division of Pensions and your actual liability) will need to be budgeted within both the levy cap and the expenditure cap.

For more information, contact Jon Moran at 609-695-3481, ext. 121.

Very truly yours,

Timothy C. McDonough,
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