






Lashway, Lisa

From: NJLM - Municipal Clerks [njlm-clerks@cityconnections.com]
Sent: Monday, June 30, 2008 3:44 PM
To: Lashway, Lisa
Subject: Municipal Clerks from NJLM

		
LEAGUE ALERT		
Municipal Clerk: Please forward to Mayor and Governing Body.		
June 30, 2008 RE: Governor Signs Budget		
<p>Dear Mayor:</p> <p>Municipal Property Tax Relief funding adjustments contained in the final budget, signed today by Governor Corzine, demonstrate the realization that the original proposal to slash municipal property tax relief funding by \$189 million was unwise, unfair and unreasonable. We are, therefore, grateful to the Governor and Legislative leadership for agreeing to lighten the impact of these cuts on local property taxpayers all around the State. Still, based on our analysis of the proposed changes, local policy makers all around the State will need to account for the loss of about \$154 million in municipal property tax relief funding. And, inevitably, so will our property taxpayers</p> <p>Against the backdrop of the slumping national economy, many of those taxpayers are already buckling under the burden of rising costs and flattened incomes. And all of them are already paying property taxes high above the national average. Two years ago, the Legislature dedicated one-half of the increased Sales Tax to property tax relief. Last year again, State policy makers recognized and acted on New Jersey's chronic need for property tax relief by, among other things, increasing CMPTRA funding by two-percent. But this budget represents a retreat.</p> <p>In addition to other funding cuts, rural municipalities served by the State Police will be required to provide the State with a total of \$12.6 million, between January 1 and June 30, 2009. We will continue to work on this new mandate, throughout the summer months.</p>		

Last week, in announcing the appropriations cap rate for 'State fiscal year' municipalities, the Division of Local Government Services noted that the cost of operating a municipality in New Jersey – our 'cost of living' – had increased by 6% last year. All else being equal, our formula aid should have increased by that percentage, just to allow us to maintain the status quo, in terms of taxes and services. Instead, we are being cut.

We want to thank all of the local officials and taxpayers who have agreed with us on this, especially those who have contacted their legislators and the Governor's Office. We sincerely hope that this year's budget will mark a turning point and that we can again return next year to an emphasis on meaningful and sustainable property tax relief.

Very truly yours,

William G. Dressel, Jr.
Executive Director

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