

TOWN OF KEARNY HUDSON COUNTY, NEW JERSEY

402 Kearny Avenue Kearny, New Jersey 07032

Alberto G. Santos Mayor

August 2011

Tel.: (201) 955-7979 Fax: (201) 998-6069

Dear Kearny Taxpayer:

Your tax bills for the 3rd and 4th quarters of calendar year 2011 <u>and</u> the 1st and 2rd quarters of calendar year 2012 are enclosed. The due date for the 3rd quarter tax bill is September 1, 2011. By State law, quarterly payments received after the close of business on September 1, 2011 will incur interest from August 1, 2011. If you would like to pay your taxes in person, in addition to regular office hours, the Tax Collector's Office at Town Hall will be open late until 7 p.m. on August 24.

As you may know, the Mayor and Council control only 37% of this bill. Most of your property tax payment goes to the Kearny School District, 46%, and the County of Hudson, 17%. The tax for Kearny schools increases \$62 for the calendar year on a residential property with an average assessment. The County tax levy increases \$107, or 7%, on the average assessment because County taxes are apportioned among all municipalities in the County based on relative property valuations. As to the municipal portion of your bill that pays for Town-provided services such as police, fire, public works, health, recreation, construction code, senior services and the public library, there is an increase of 3.75%. On a residential property with an average assessment, this is an increase of \$127 for the year.

The Town Council and I recognize the difficult conditions caused by the current economy. This year, the town had to absorb continued cuts in State aid and another round of sharp increases in pension and health costs for its employees, bringing the total cost for health and pension benefits to \$17 million for 2011. However, I am hopeful that the tax burden will ease in 2012. The new pension and health benefits reform law should reduce those costs in future years. In addition, the State authorized an additional \$1.6 million in aid for Kearny's school district that I hope the Kearny Board of Education will apply to tax relief in 2012.

It is also important that the Town Council and I continue to cut municipal spending. In 2011, we adopted a plan that cut \$4 million in salary and wage expenses through unpaid furloughs, attrition and reductions in salary increases and overtime costs. We are now preparing a new austerity plan for 2012 with the goal of achieving \$5 million in cuts next year.

Under these very difficult circumstances, the Council and I are committed to meeting the challenge of tax affordability. We will continue to work hard to find ways to ease the property tax burden while maintaining necessary services.

Very truly yours,

Alberto G. Santos

Mayor