

April 2016

## IMPORTANT UPCOMING EVENTS

Please consult the League [Web Calendar](#)

April 5-

[The Preliminary Draft of the MS4 Stormwater Permits: What You Need to Know Webinar-Your Computer](#)

April 14-

[Affordable Care Act Reporting- What You Need To Know About Filling Out the 1095-Your Computer](#)

April 19-

[League Services Seminar: How to Use Grantstation to Find Funding for Your Municipality-Your Computer](#)

May 3-

[MLUL Preemptions: The NJ Permit Extension Act and FCC "Shot Clock" Rules Webinar- Your Computer](#)

May 12-

[Beyond Code Enforcement: Understanding and Using Vacant and Abandoned Property Tools in Your Municipality Webinar-Your Computer](#)

June 17-

Save the Date!

One Day Mini Conference-Conference Center at Mercer, West Windsor

- ✓ 2016 Scholarship Competition
- ✓ Planning A Mayors Book Club
- ✓ CEU's from 100<sup>th</sup> Conference
- ✓ Conference Housing Forms
- ✓ 2016 Municipal Directory

## FROM THE PRESIDENT

*By Mayor Joseph Tempesta, President*

In his budget address, Governor Christie stated, as his core principles, the need for fiscal restraint and a willingness to pursue "hard reforms" to build a stronger economy and to make the State a better place to live.

Governor Christie has offered a serious budget that seeks to address a number of the State's serious problems. As always, the first concern of local officials has to be property tax relief funding.

The good news about direct municipal property tax relief programs is that formula funding will not be going down. As a result, local budget makers can anticipate the same amount that was distributed in FY '16 through the comingled Consolidated Municipal Property Tax Relief Act (CMPTRA) and the Energy Tax Receipts Property Tax Relief (Energy Tax) programs, through the Open Space PILOT program, and through the Highlands Protection Fund. Further, municipalities that received \$29 million through the Transitional Aid program during the current State Fiscal Year will be assured of that funding through CMPTRA in the upcoming budget. In other words, no municipality will face cuts in general formula aid programs.

*Continued on next page under President's Message....*

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**MICHAEL CERRA**, Asst. Executive Director

## PRESIDENTS MESSAGE CONTINUED

Once again, some local Energy Tax Receipts funding will be redirected to cover unspecified State priorities. For the sixth straight year, local property taxpayers will be denied the benefit of annual inflationary adjustments that are required by State statute in both CMPTRA and Energy Tax funding. And a longer look back reminds us that these years of level funding began at the bottom of deep hole. During State Fiscal Years 2009, 2010 and 2011, a total of \$331 million was diverted from property tax relief, and instead used to address some serious State budget gaps. The cumulative impact of years of underfunding, going back well before those cuts has left many municipalities with unmet needs. New Jersey mayors and municipal governing bodies are best suited to assess local needs. Further, these revenues are intended to fund local priorities and services.

Local officials are clearly committed to limiting their reliance on increased property taxes. The Commissioner of the Department of Community Affairs recently noted that, since the imposition of the 2 percent levy cap in 2010, and despite the allowance for certain common sense exceptions, local levies have averaged 2 percent growth. But local officials are also committed to providing for the health and safety of their fellow citizens. They are also committed to promoting local economic development and redevelopment opportunities. And they are also committed to protecting the rights of future generations to enjoy the same, if not a better, quality of life, than that of their parents and grandparents. We urge state officials to consider the need for high quality local programs and services and the constraints under which local officials must operate. We urge them to trust local officials to responsibly balance local needs and local resources. We urge them to begin to restore these funds, which the State needed to address a real crisis, back to local budgets, where they are meant to be.

It's worth noting that the proposed budget would delay the distribution of CMPTRA (Page D-56 of the detailed Budget) and Energy Tax (page D-403). Instead of distributing the final 5% on December 1, this proposal delays the distribution of the final 15% until December 20. We have heard that the change will assist in addressing some State cash-flow problems. We have asked local officials to review the new distribution timetable and to let us know if they foresee any problems it might cause. But at this point, we want to note that, when faced with a budget problem, the State has, once again, looked to municipal budgets for a solution.

The Governor's proposal will look to increase the State's public employee pension payments through the use of savings, expected to be produced by unspecified State Health Benefit Plan reforms. The Administration projects those reforms to produce \$250 million in State savings. The Governor, further, noted that his proposed health benefit reforms would also save municipal and county governments a bit less than \$100 million and school districts a bit more than \$100 million. (In addition to that, State and local public employees would see \$100 million in savings through reduced premium sharing.) It could, then, produce savings for the State, for our local property taxpayers and for public employees. The Governor said, "It's a win-win-win for our citizens."

In his budget address, the Governor referred to the recommendation of his Pension and Benefits Roadmap Commission. We have serious concerns with the Commission's report. It fails to recognize the fact that municipalities and their employees have consistently contributed to the local PERS and PFRS funds. The real issue is with the State's pension funds. And neither local funds, nor any real or projected local savings, should be used to address the State's funding problems. In fact, we believe that the "Roadmap to Resolution" reports include some faulty premises and will not have the intended effect.

Working with League's Executive Board, our Management Reform Committee and our special committees on Pensions and Benefits, we hope to bring to develop a compromise solution establishing a stable Health Benefits and Pension Reform package.

On June 30, it isn't a pot hole that awaits the New Jersey's Transportation Trust Fund. It is the end of the road. The State Department of Transportation (DOT) reports that New Jersey's municipalities are responsible for 64 percent (28,539 center line road miles) of our roads. County governments are responsible for another 22 percent (6,649 center line road miles). Together, local governments are responsible for 39 percent of our bridges. Local roadways and bridges carry about 55 percent of all traffic.

So it's clear that we at the local level bear the brunt of dealing with our state's crumbling infrastructure, but we have not received the funding we need to make the necessary improvements without impacting property taxpayers. Long-term reauthorization of the TTF, with assurances of sufficient, sustainable, dedicated funding for State and local needs must be a top Legislative priority, now. Given the extent of the local infrastructure, and given the need for strong and steady investment in that infrastructure, we will ask for assurances that Local Aid will represent, at a minimum, 25% of annual Transportation Capital spending. And we will call for adjustments in funding, to account for the effects of inflation.

We appreciate the fact that Senate President Sweeney and Assembly Speaker Prieto are strong advocates of increased local aid. We have called on State policy makers to take decisive action now on this crucial State priority. We cannot continue kicking the can ever further down the road. Given the urgent need for road repairs, the can can't last much longer.

As the budget process moves on we will continue to update our members on any new developments. Should you have any questions please contact the League Legislative staff at following contact information:

- Michael Cerra, Assistant Executive Director-609-695-3481 ext. 120
- Lori Buckelew, Senior Legislative Analyst,609-695-3481 ext. 112
- Jon Moran, Senior Legislative Analyst, 609-695-3481 ext. 121

### **2016 SCHOLARSHIP COMPETITION**

*-Contact Michael Darcy ext.116 or [mdarcy@njslom.org](mailto:mdarcy@njslom.org)*

In January, the League mailed information to all mayors concerning the Annual Louis Bay II Future Municipal Leaders Scholarship Competition. League Past President and Mayor Chuck Chiarello of Buena Vista Township chair the Scholarship Competition and Mayor Albert B. Kelly, Mayor of Bridgeton City and League 2<sup>nd</sup> Vice President also serves as a judge. This popular competition is open to all high school juniors and seniors throughout the state. The top three winners each receive \$1,000 scholarships from the League.

Mayors play an integral role in the success of this program because your office publicizes its availability, judges the local entries, and distributes the checks and certificates supplied by the League. You should publicize the scholarship to your local schools and establish your judging committee. Your local winning entry must be submitted to the League office by April 1, so we can announce the three statewide winners by May 5.

### **PLANNING AND PARTICIPATING IN A MAYOR'S BOOK CLUB**

A free instructional manual on how to promote youth literacy by planning and conducting a successful Mayors Book Club. Based on five years of experience conducting successful Mayor's Book Clubs throughout New Jersey. More information can be found by visiting this link:  
<http://njlmef.org/Mayors-Book-Club.pdf>

### **DEADLINE TO CLAIM CEUS FROM 100<sup>TH</sup> ANNUAL CONFERENCE IS MAY 1**

*-Contact Danielle Holland-Htut ext. 118 or [dholland@njslom.org](mailto:dholland@njslom.org)*

Please remind your licensed officials that the deadline to claim CEU credits from the 100<sup>th</sup> Annual Conference is May 1, 2016. To claim credits, licensed officials should click the following link [www.njslom.org/confceu](http://www.njslom.org/confceu) and follow the prompts.

**ANNUAL CONFERENCE HOUSING FORMS COMING**

-Contact Dee Kotch ext. 115 or [dkotch@njslom.org](mailto:dkotch@njslom.org)

Municipal housing forms for the 2016 Annual Conference will be mailed to all Municipal Clerks in early June. Non-municipal forms will be available in the June issue of *New Jersey Municipalities* magazine. Be sure to get your housing requests in early to help ensure your requirements get first consideration.

**2016 MUNICIPAL DIRECTORY**

-Contact Dee Kotch ext. 115 or [dkotch@njslom.org](mailto:dkotch@njslom.org)

The annual Municipal Directory was mailed to all mayors the first week of March. There is no cost for this first copy. Additional print copies are \$30 each and PDF copies are \$49. Use it to keep in touch with your colleagues around the state.