



Borough of Rocky Hill

“Town Hall Meeting”

March 13, 2008



Borough of Rocky Hill

Feb. 26

Gov. Corzine announces a state budget that cuts “all” aid to municipalities with less than 5000 residents as a means of “forcing” municipal mergers.

Mayor Zimmerman contacts NJ LOM for assistance in fighting the cuts and re-establishing the municipal aid.



Borough of Rocky Hill

Feb 27

NJ LOM publishes its protest of the cuts in aid
NJ LOM publishes Mayor Zimmerman's letter
requesting help.

Feb 28

NJN interviews Mayor, Bill Dressel (NJ LOM) and Joe
Doria (Commissioner DCA)



Borough of Rocky Hill

Mar 3

Council unanimously supports continuing to put pressure on State about reinstating aid.

Mar 4

DCA publishes new aid amounts reinstating Total Energy Tax Receipts Program but eliminating all other aid to Rocky Hill. Cuts are now \$47K vs. \$115K



Borough of Rocky Hill

Mar 6

Mayor and Council President Banks attend NJ LOM meeting of municipalities under 10K, DCA Commissioner and Governor's Staff. Over 400 attend. All are united in opposition. DCA admits that it hadn't taken all issues into consideration.

Mar 10

Assemblywoman Coyle informs Mayor she will not vote for this budget with the current cuts in aid.



Borough of Rocky Hill

Mar 12

Assemblyman Pete Biondi informs Mayor he will not support the budget with these cuts in aid.

Deputy Chief of Staff Javier Inclan addresses SCGO and states Gov will accept a different plan if Legislature sends him one. Also states that DCA is working on a reward program for municipalities already sharing services.

Mar 13

Mayors 10k+ Meeting with Gov. Corzine



Borough of Rocky Hill

What was cut?

- CMPTRA award – \$41,676
- Municipal Block Grant – \$3,032
- Municipal Property Tax Assistance – \$2,209
- \$46,917 cut

What was kept?

Total Energy Receipts Tax Distribution +\$72,636



Borough of Rocky Hill

What is the impact?

Assumption \$6000 = 1 cent of tax rate

1 cent of tax rate = \$10 per \$100K assessment

$\$46916 / 6000 = 7.8$ cents

7.8 cents = \$78 per \$100K assessment

\$175 of tax increase based on AVG \$225K assessment



Borough of Rocky Hill

▶ Problem

Property Tax Levy CAP of 4% means if cuts stand we can only raise property tax by 2.5 cents....

The remainder would have to be made up in service cuts.....

We already run VERY lean.



Borough of Rocky Hill

Spending is down

The 2007 Budget reduced appropriations by \$100K over 2006

The proposed 2008 Budget reduces the Budget by another \$20K if you remove the \$150K to reduce debt and the \$200K equalized by a grant.



Borough of Rocky Hill

- ▶ Rocky Hill is run by volunteers and part-time employees(most are State mandated).
- ▶ Rocky Hill has been a leader in the use of Shared Services, Volunteerism and outsourcing.



Borough of Rocky Hill

▶ Shared Services

- Health Department – South Brunswick
- Police – NJSP & South Bound Brook
- Schools – Montgomery Twp.
- Sewer System – Montgomery Twp.
- Recreation – Montgomery Twp.
- Public Works – Somerset County PW & Sheriff Dept.
- Construction Office – NJ DCA
- Recycling – Somerset County
- Municipal Alliance/Youth Services – Montgomery Twp.



Borough of Rocky Hill

- ▶ Montgomery and Rocky Hill government leaders have agreed that a municipal merger may not be in the best interest of either municipality.



Borough of Rocky Hill

- ▶ What happens if in the short term
 - Aid is not restored?
 - We agree to a full merger?
 - We lose or have to pay for the NJSP?



Borough of Rocky Hill

State Senator Paul A. Sarlo, D-Bergen, Essex

Vice Chair of the Senate Budget and Appropriations Committee

Release Date: Mar 13 2008

“While the FY 2009 Budget demands that we make some serious and painful cuts to valuable programs in order to fix years of living beyond our means, I do not believe it’s appropriate to balance the budget on the backs of local officials, who for the past few years have continually been asked to do more with less. Specifically, I think we must restore proposed cuts to the CMPTRA (Consolidated Municipal Property Tax Relief AID) program for municipalities seeking to hold the line on property taxes for their residents.”



Borough of Rocky Hill

Assembly Republican Whip Jon Bramnick R-Union, Morris, Somerset and Essex.

Release Date: Mar 12 2008

“Smaller governments are not inherently inefficient or more costly to the state,” Bramnick said. “Taking such a broad-brush approach not only fails to address the real problem, it will create new problems by punishing property taxpayers in already efficient towns. The governor needs to reconsider his approach to this problem before he takes a step that will have dire consequences for many of these towns and their taxpayers.”



Borough of Rocky Hill

NJ Star Ledger 3-13-08

"It's just out-and-out punishing towns because they're smaller and lack political clout," said Sen. Barbara Buono (D-Middlesex), the Senate Budget and Appropriations Committee chairwoman. "It's so egregious because it lacks any basis in fairness or public policy."



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NJ Star Ledger 3-13-08

"It is arbitrary and capricious to base funding purely on population," said Sen. Leonard Lance (R-Hunterdon).



Borough of Rocky Hill

- ▶ Other state issues involving your taxes
 - School Board Consolidation
 - COAH
 - State Police
 - New State Solid Waste Fees



Borough of Rocky Hill

- ▶ What do we do?

Make some Noise!!

**Keep the pressure on your
state representatives!!**