



TOWN OF KEARNY

HUDSON COUNTY, NEW JERSEY

402 Kearny Avenue
Kearny, New Jersey 07032

Alberto G. Santos
Mayor

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Dear Kearny Taxpayer:

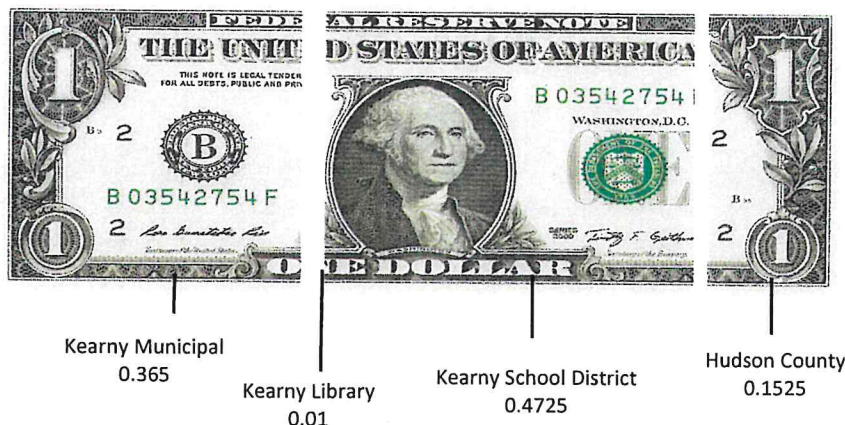
Your tax bills for the 3rd and 4th quarters of calendar year 2019 *and* the 1st and 2nd quarters of calendar year 2020 are enclosed. The due date for the 3rd quarter tax bill is September 9, 2019. By State law, quarterly payments received after that date will incur interest from August 1, 2019. If you would like to pay your taxes in person, the Tax Collector's Office at Town Hall will be open late until 7 p.m. on September 9, 2019.

For the second year in a row, the municipal portion of your property taxes has *decreased*. One of the reasons is growing tax revenues from strong real estate valuations. In addition, annual payments to the Town in lieu of taxes (PILOTs), which were used to spur economic redevelopment on Passaic Avenue, Bergen Avenue and South Kearny, have more than doubled year-to-year and will soon exceed \$2 million annually. Revenues also improved because the State has increased the Town's tax sharing receipts from the Meadowlands District. A portion of these increased revenues was used to increase the Town's budget surplus to \$6.5 million, which functions as a savings reserve in the event of unforeseen costs or a drop in revenues.

On the cost side of the municipal budget, expenses went up 3%, in part driven by the hiring of additional police officers and firefighters, and by increased employee pension costs. The most significant cost was a shortfall in our water utility of \$1.1 million, which was paid from the general budget. This shortfall was largely due to mounting costs for the necessary repair and replacement of water infrastructure. We are seeking to address the imbalance in the coming year through a modest increase in water rates and increased sales of our utility's surplus water.

As you may know, while Kearny's Town government is charged with the responsibility of collecting property taxes, the Town of Kearny keeps only 37.5% of taxes collected to pay for municipal services. About 15.25% of the amount collected is sent to the County of Hudson and 47.25% is sent to the Kearny School District. For all of calendar year 2019, the portion of your tax bill that pays for municipal services decreases 1.69%, which is a reduction of \$68 on a residential property with an average assessment. The County's taxes decrease by 0.68%, for a reduction of \$11. Kearny School taxes rise by 1.22% or \$60. The net impact is a decrease of \$19 on the average assessment.

Where does my property tax dollar go? (Calendar Year 2019)



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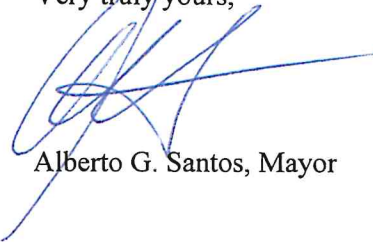
With the 37.50% share of the property taxes collected, the Town of Kearny provides the following services:

- Police Department
- Senior Transportation
- Road Maintenance
- School Crossing Guards
- Sewage/Wastewater Management
- 10 Municipal Playgrounds
- Fire Department
- Municipal Court
- Leaf Collection
- Curbside Garbage Pickup
- Stormwater Management
- Recreational Facilities/Parks
- Library
- Public Health Services
- Snow Plowing
- Tree Maintenance
- Recreational Programs

The Council and I are aware that the confluence of positive factors which resulted in this year's tax decrease may not recur in 2020. We will continue to monitor carefully all expenditures in order to provide municipal services in a cost-effective manner while maintaining a healthy reserve fund in the event of a downturn.

Finally, please note that the State of New Jersey offers various property tax relief programs including the Senior Freeze (Property Tax Relief) Program for property owners who are 65 or older. Information about these programs is available on the State's web site, <http://www.state.nj.us/treasury/taxation/relief.shtml>, or in the Tax Collector's Office at Town Hall.

Very truly yours,



Alberto G. Santos, Mayor