

**Township of Morris**  
P.O. Box 7603  
Convent Station. NJ 0796-7603

PRST STD  
U.S. Postage  
**PAID**  
Permit No. 102  
Morristown, NJ

**9/11 Memorial Ceremony**  
**September 11, 2004**

Held in memory of the six Township residents who lost their lives at the World Trade Center in 2001.

**Morris Township Day**  
**Golf Tournament**  
**October 11, 2004**

**Curbside Leaf Collection**  
**Begins October 12, 2004**  
**Ends December 11, 2004**

**DON'T FORGET TO VOTE IN**  
**THE GENERAL ELECTION**  
**November 2, 2004**

**2004 Property Taxes Pressured By Commercial Tax Appeals**

By Richard A. Watson, Morris Township Finance Chairman

Citizens in Morris Township may have experienced 'sticker shock' from their most recent property tax bills. Many members of our community are not aware that the Township controls only 24.3% of this bill. The bulk of your property tax payment goes to the Morris School District - 60.2%, while 15.5% goes to the County of Morris.

How will we spend your money? The largest components of our Township's 2004 budget are salaries for Police, Fire, and Roads / Sanitation workers. While the total workforce in the Township is virtually unchanged from last year, New Jersey's compulsory arbitration laws, and their implementation, virtually mandate salary increases approaching 4% despite the lower inflation rate. Health insurance costs have also risen above the inflation rate and this caused a 2004 budget increase of \$200,000, though coverage is not expanded and we have negotiated some cost sharing with our employees. These factors, combined with rises in other insurance & fuel costs, contributed to an overall spending increase of about 6%.

The principal components of the Township's revenue are NJ state aid, prior Township budget surplus, & local property tax.

- NJ has increased its aid to municipalities by less than 1% in 2004, despite mandating wage increases and enacting new storm water management and other regulations that cost our town additional money. This forces a higher portion of our costs to be borne by the other components of the revenue stream.
- The Township's budget surplus, which refers to the amount of cash left over at the end of the prior fiscal year, normally is \$4 million or more, but at the end of 2003 was only \$2.4 million. This is due to an extraordinarily high number of successful commercial tax appeals, many based on a decline in property value due to lower commercial rateables (determined by the rent that can be charged), that required us to refund a total of \$2.8 million during 2003.
- At the same time, the market values of residential properties have dramatically increased, which puts more of the tax burden onto the homeowner. As much as we might like to shift more of the taxes to the commercial properties, the law doesn't permit us to assess any property more than its actual fair market value.

The Morris Township Committee recognizes that the local property tax increase for 2004 was considerable, though our tax rate of 49.4 cents still compares favorably to Morristown's 88 cents and with the rates in other towns. We realize the budget pressures and have ordered a reduction in non-salary expenses across all departments by an additional 5%, as well as a temporary reduction of the local open space tax. We'll continue to try to avoid property tax increases in the future. Please feel free to contact us with any suggestions, questions, or concerns you may have.