

Herald News Yellow Red Blue Black

Championship chase
Pompton Lakes, Lodi
and Queen of Peace close
in on state football titles. **B1**

YOUR VOICE. YOUR CHOICE.
MEET YOUR NEIGHBORS. **C2**

Pompton Lakes is No. 1
Boys take soccer title with
2-1 win; Butler girls fall
short of N.J. crown. **D1**

HERALD NEWS

\$1.25

www.northjersey.com Sunday, November 20, 2005 An edition of The Record

TAXED OUT: AT THE BREAKING POINT

The Perfect Storm?



Anton Oswald walks around his home in Wayne as a way to exercise. Oswald, who has lived with his wife in the same house for 38 years, is afraid that if there is no reduction in property taxes in the next five years, they will have to move. He is paying \$9,000 a year.

By **RON WITCHESSON**
and **TIM JOHNSON**
Night Editor News Service

RELIGION — President Bush will be in church, as usual today, but his message of citizenship carries special significance this week.

By heading to prayer in Beijing, Bush will be standing up for religion freedom in a country where faith is often preached in secret. His visit to Guangzhou Church is a show of solidarity for the faithful and a nudge to Chinese leaders who refuse to let religion flourish unfettered.

Under the leadership of Communist Party Chairman Mao Zedong, who once declared that "religion is poison," China ordered churches across the country closed during the Cultural Revolution in the late 1960s. The ban ended in the late 1970s, but churches have to submit to government regulation.

Church leaders who refuse to bow to government authority risk arrest.

Bishop Julian Ju Zhigao, a leader in the underground forum.

Please see **CHINA, A10**

UKRAINE

Orange revolt's magic fading?

First anniversary marred by division

By **MARA C. BELLA**
The Associated Press

KIEV — One cold day this fall, Iana Grigoryeva stepped out in her orange scarf, hoping it would add a bit of cheer to a gray day, and says she was overwhelmed by the smiles and affectionate looks from passers by.

A year after Ukraine's so-called Orange Revolution, the excitement and ideals that brought hundreds of thousands of demonstrators to the capital's main square are already the stuff of college-faded nostalgia. Reality has set in as a darker hue, maddened by unfulfilled promises and falling hopes.

"The fairy tale written on Independence Square now calls to mind a warbler's memory. Only the victor isn't a person — but hope."

Please see **UKRAINE, A5**

Costly decisions

Municipal governments may resort to drastic measures to offset the tax burden. **A13**

All talk, no action

Why New Jersey politicians keep failing to pass meaningful property tax reform. **A4**

Bonded to failure

State pension, transportation deficits can be led directly to a common source: bonding. **A5**

Stories by Jaci Smith

After their property taxes hit \$9,000 this year, Anton and Mildred Oswald knew it would be a matter of just five years before taxes drove them out of their Wayne home, where they have lived and raised two children over 30 years.

They may have less time than they think. A combination of sharply rising liabilities for public employee pensions, socking led costs and cooling business growth in the state threatens to overstretch local budgets and force governments to cut services and raise taxes, economists say.

Taxpayers could face library closings, scaled-back recreation programs and paying for garbage disposal out of their own pockets — and tax bills topping 25 percent in a single year to fund schools and county and municipal governments.

In the worst case, the Oswalds would pay thousands more in property taxes in a single year, and cut their time left in Wayne by half.

School districts and counties, of course, depend heavily on property taxes to pay their bills, but it is the services provided by the state's cities, towns, villages and boroughs that touch every resident — and for which every resident pays.

The state's neglect of its transportation trust could mean that municipalities will have to foot the bill for road repair and construction in their communities.

The state's failure to fund its public employee pension liability means communities will now pay both current debt and money owed

Please see **TAXES, A13**

SUNDAY

TOTOWA Old wrestlers still slamm'n'

Brutus "The Barber" Beetzlake, Bruno Sammartino and others give back to the fans with an autograph session during the Wrestling Fan Festival at the Holiday Inn. **B1**

West Paterson, New Jersey
Vol. 204, No. 324

LIFE

How etiquette can help keep holiday celebrations civil

A new book explains what to do when the person you're mangleing with has stuffing in his or her teeth or has a fly malfunction. **B1**

WEATHER

Sunny and a bit warmer

Mostly sunny, highs in the mid-50s.

TONIGHT AND WEDNAY: Cloudy. Lows in the mid-30s. Mostly clear on Monday. Lows in the mid-30s. **D16**

INDEX

Advis: **D1** Obituaries: **C5**
Classified: **F** Puzzles: **F-6**
Forum: **F-7** Public Notice:
Jobs: **F-8** Real Estate: **D13**
Life: **D14** Real Estate: **D15**
Letters: **A1** Sports: **B7**
Market: **A11** Stocks: **B2C**

12823 89833

Yellow Red Blue Black

Herald News

Yellow Red Blue Black

Sunday, November 20, 2005

HERALD NEWS A13

TRYING TO REFORM PROPERTY TAXES

There have been several major commissions or committees convened in the last 30 years to study property tax reform. Together, they have been more than 240 recommendations to reform the state's tax system. Most were never enacted, or did not represent the amount of money residents paid in taxes.

To date, few of the suggestions have been taken on by the Legislature.

How are these commissions, the recommendations that came from them and what, if anything, was done as a result?

CANILL COMMITTEE (1972)
Full Name: Tax Policy Committee
Members: 12
Recommendations: 25
Highlights: Public property taxes to no more than one-third of state tax revenue.

LEONE COMMISSION (1977)
Full Name: Commission on Government Costs and Tax Policy
Members: 15
Recommendations: 30
Highlights: State not to be used to offset local property taxes.

GLASER COMMISSION (1986)
Full Name: Property Tax Assessment Study Commission
Members: 9
Recommendations: 37
Highlights: Property taxes in New Jersey communities have a disproportionate impact on the low and middle classes.

SLEEP COMMISSION (1988)
Full Name: State and Local Governments and Revenue Commission
Members: 13
Recommendations: 11
Highlights: Local government revenues too often all from the state and not only for heavily on property taxes to pay for services.

WHITMAN COMMISSION (1998)
Full Name: Property Tax Commission
Members: 25
Recommendations: 62
Highlights: Home rule creates a large number of local municipalities and school districts, which in turn increases property taxes.

NEW JERSEY PROPERTY TAX CONVENTION TASK FORCE (2004)
Full Name: Same
Members: 15
Recommendations: 26
Highlights: A property tax convention, made up of two delegates from each of the state's 40 counties, would determine a plan to reform the property tax system. That plan would be put before the state as a single referendum question.

Results: Legislation to hold the convention failed in the state Senate. Justice Committee.

TAXED OUT: AT THE BREAKING POINT

'We're gonna have to be the bad guys'



Anton Oswald uses his computer in his Wayne home. Oswald's fears about the state of his property taxes come as several communities face cuts in services and personnel to deal with continually increasing levies. Municipalities also can raise property taxes by 50 percent if they need to pay bills.

Communities running short of acceptable options

By JACI SMITH
Herald News

You won't catch many municipal finance officers admitting they'd recommend closing the library or laying off cops and firefighters to deal with a financial crisis. Nor would many say they'd recommend raising taxes every year.

But they also admit they're running out of options. The state's communities face growing pension liabilities, high energy costs and the possibility of being state aid for road work in the next year. Any one of those is an additional burden for already tight budgets. Should all three happen at once, it could mean fewer services and property tax increases as high as 25 percent in a single year.

The state's residents already carry a heavy tax burden. New Jersey ranks ninth nationwide in the revenue it collects from taxes, and eighth in taxes per person at \$2,367 in 2004, according to estimates from the U.S. Census of Government Finance. Not surprisingly, it ranks at the top nationwide in property taxes per person, but it also ranks high—15th in the nation—for individual income tax, at \$779.

The past may be prologue for some North Jersey communities as they struggle to balance the books. In Lodi last year, the borough slashed the library budget by a third and relocated its 911 services to keep budget increases to \$500,000. In Clifton, the city passed on opening its first public pool earlier this year, saying it couldn't afford it. Municipal leaders in Wallington asked for an exemption from state-mandated budget limits, claiming it could not pay its bills without it. West Milford asked the state to allow it to charge fees to any Palisades attempted to sell property to balance its books, and when it failed, it had to ask the state for \$2.25 million in emergency aid to make up the difference.

Yet property taxes stayed the same or rose last year in all the communities except West Milford. Meanwhile, the state can provide little in the way of long-term help, according to the Division of Local Government Services. State aid to cities has been nearly flat in the last five years. For this year's budget, the state forecasts aid will drop 10 percent from last year's levels. The state's constitution was set up to keep state government

out of local government, a concept known as "home rule." The state's authority extends only to making sure that local governments may without spending caps. The cap for municipalities is an increase of no more than 2.5 percent a year, though there is no limit on how much property taxes can increase and there are no penalties for one-time and short-term problems. In addition, current legislation exempts some costs from the cap, including payments for public employee pensions.

So, if a community needs to eliminate its police force or close its libraries or raise its taxes by 50 percent to pay its bills, it can, said 13 Municipal spokesman for Local Government Services. "Ultimately, communities are on their own," he said. City leaders have just two choices: cut services or increase property taxes, said Mary Joanne Hewitt, Hawthorne borough administrator. It's like the paycheck in your pocket, explained Ramsey Finance Director Anthony Zambone. "When your gas bill goes up, you have to ask yourself, where else am I going to cut to cover the bigger bill?" Hewitt said city leaders have to ask themselves every year how much

they can without filing for or rene. Hawthorne cut costs recently by reducing bulk waste pickup and putting out a bid for a new garbage contractor. Property taxes will went up about 2 percent. Municipal finance officers said they know much tougher budget decisions are coming. They say there is no fall left. Up next are conversations about shutting the library or rene. Hewitt said she's contracting with the county for sheriff's officers instead of having a police force. It means more police and fewer on streets. "These are all wildly unpopular with voters. But so is raising property taxes. "We're gonna have to be the bad guys," Hewitt said. "We're going to be the voices of doom that say, 'You've gotta bite the bullet.'"

Book Joel Smith
@njheraldnews.com

Taxes: State workers' retirement costs add to levy



Oswald says he walks around the house to exercise, here removing a rake from his garage. Slow business growth in New Jersey may lead to layoffs, he says.

Continued from A1
from payments skipped in the past, plus interest. And the state economy is not seeing the kind of business growth that banks raise revenue—for the budget. That means less aid to communities in general.

All that may conspire to wallop taxpayers like the Oswalds. Pension bills come due. Among the major engines of this tax burden are the pension funds for New Jersey's public employees, police and firefighters. They face a \$12.1 billion shortfall, a cost that has been deferred for years. Now, the debt has come due and property owners will have to pay. Ken Galbo of Lodi doesn't begrudge anybody his or her hard

earned retirement. But when retirement packages start affecting his taxes, Galbo, 61, thinks some-thing should change. His employer eliminated his company's pension plan several years ago, switching to a 401(k) plan, to which he most contributes to receive payments in retirement. Galbo wonders why government doesn't abandon pensions, as about a year away from retirement himself, he says he probably won't be able to afford to stay in Lodi, where his family has had 80 years. Galbo makes \$68,000 working for a local utility company. Pension and energy costs, along with increases in the borough's spending, which in the last three years has been about 3 percent,

could add about \$1,000 to his tax bill next year. "That doesn't include any increase to the borough's tax rate or to the value of Galbo's property, both of which would increase his taxes over years. Galbo has a little place up in New York state, about two and a half hours away, to which he'd like to retire, but his wife doesn't want to be that far from the grandkids."

His daughter and her children used to live in a house right around the corner from his on Thrugh Drive. The kids would come over to play, but a few years ago, his daughter moved to Oakland, where her property taxes are the same but her house and land are twice the Lodi property. Please see TAXES, A14

Yellow Red Blue Black

Herald News

Yellow Red Blue Black

A14 LOCAL NEWS

TAXED OUT: AT THE BREAKING POINT

Sunday, November 20, 2005

Year leads to the next, and there's still no relief

Three decades of suggestions have gone mostly ignored

The century of what each individual ought to pay in, in fact, a matter of a few pennies more than a very considerable degree of inequality...

— Adam Smith, "Wealth of Nations"

By JACI SMITH Herald News

Why can't we get property tax reform? Voters say it is the least most important to them. Politicians don't care.

Yet year after year, meaningfully change checks from Election after election, voters keep sending some petitions back to the Statehouse...

"We only get reform at the point of a gun in New Jersey," said Henry A. Coleman, executive director of the Center for Government Studies at Rutgers University...

The gun In 1973, the state Supreme Court in Robinson v. Cahill ruled that the state had violated the constitution by not providing "thorough and efficient" education to every student in the state.

School districts' budgets then relied solely on property taxes, which created an inequity between property-rich communities and tax-burdened poorer ones...

But the justices did not say what the state should do. Instead, the court ordered public hearings. In June 1976, out of those hearings with the Legislature's inability to enact reform...

"We're not going to get any other tax reform," said Coleman. "We're not going to get any other tax reform."

"I think the state is in a dire financial circumstance now when Robinson v. Cahill comes down? No, I think it's more, for me, said J. Edith Cambria-Cambria...

True, but not tried Property tax reform has been the topic of several state commissions and task forces in the past 30 years...



JAN HOUSEBARTH/Herald News

Recommendations have been issued by some of the state's best and brightest minds. Some were enacted, most were ignored. Coleman said there has never been a consensus on what property tax reform is, nor has property tax relief been defined that makes it easy for politicians to claim they've done both.

For example, 45 percent of the taxes collected in the state come from property taxes. The national average is 30 percent. That's why the goal is to bring New Jersey down to the national average by 2010...

No property tax relief plan in the state has ever been enacted. "I don't know what the state is doing," Coleman said.

"I don't know what the state is doing," Coleman said. "I don't know what the state is doing."

"I don't know what the state is doing," Coleman said. "I don't know what the state is doing."

"I don't know what the state is doing," Coleman said. "I don't know what the state is doing."

Taxes going up

Property taxes in the state have increased an average of 13.2 percent in these communities.

Table with 4 columns: Municipality, 2003 Assessable Tax, 2004 Assessable Tax, % Change. Lists municipalities like Little Ferry, Carlstadt, Clifton, etc.

Source: Joint Board of Taxation

sure that the people spending the money are getting to those who pay it," Carroll said. "That's not who's happening."

"But others don't believe a convention is the answer at all. Both the New Jersey Education Association and the New Jersey School Boards Association oppose any type of convention."

It is an issue of timing, said Frank Bellows, executive director of the NJSEA. The results of a property tax convention may not be felt by taxpayers until 2008 and that's too long to wait for reform, he said.

Bellows said the NJSEA supports the next governor calling for a special session of the Legislature to address reform. "People have indicated polls that they're willing to pay more in income taxes in exchange for reform, but it's not clear that money goes directly to lowering their property taxes," Bellows said.

"We need to get somebody in the governor's office who is willing to listen to the people and then take action," said Steve Bagner of Wayne County. "We need to get somebody in the governor's office who is willing to listen to the people and then take action."

"We need to get somebody in the governor's office who is willing to listen to the people and then take action," said Steve Bagner of Wayne County.

"We need to get somebody in the governor's office who is willing to listen to the people and then take action," said Steve Bagner of Wayne County.

"We need to get somebody in the governor's office who is willing to listen to the people and then take action," said Steve Bagner of Wayne County.

"We need to get somebody in the governor's office who is willing to listen to the people and then take action," said Steve Bagner of Wayne County.

Taxes: Transportation Trust Fund in danger of running out

Continued from A13

His other daughter didn't even try to land the settlement in Blyden Township in Sussex County. He has lived in his home since 1968, when his property taxes were \$550. Now he pays \$7,000...

Energy, transportation costs Everyone has felt the pinch of the higher oil costs, either in heating bills or at the gas pump. Municipalities are no different.

A portion of the fund's money goes to municipalities for their roadwork. Without it, communities will face the full brunt of repair and construction, starting next year.

The netter's burden For the past 10 years, Loretta Bradley, 48, of Passaic has been trying to save the down payment on a house.

But she already pays property taxes — it makes up about 25 percent of her rent. So any increase in property tax is handed down to her as a net increase and every increase makes saving for a home that much harder.

More than two years ago, Bradley was asked to serve on the Citizens Tax Assembly by her union, the New Jersey Education Association. The commission was charged with finding ways to reform the property tax system in the state.

Bradley did not attend according to the meeting minutes. Most of the 90 participants were unions, county board members, council members, retired public officials.

Although she didn't understand some of the things that were discussed, she let her voice be heard, because it was an important one, the voice of a teacher, of someone who lives paycheck to paycheck, the voice of someone who can't afford to own a home.

Bradley, who lived in Passaic since she was 3, now rents an apartment. She pays \$1,000 a month in rent for her two-bedroom apartment. Every year, her rent has increased by less than \$15 a month. In the next year, it could increase by as much as \$30 a month.

Economy cools While it's true that the economy has stabilized, it is not growing, particularly in New Jersey. A reported score, according to reports from the Federal Reserve Board, has been 0.1 percent.

While it's true that the economy has stabilized, it is not growing, particularly in New Jersey. A reported score, according to reports from the Federal Reserve Board, has been 0.1 percent.

While it's true that the economy has stabilized, it is not growing, particularly in New Jersey. A reported score, according to reports from the Federal Reserve Board, has been 0.1 percent.

Loretta Bradley of Passaic is involved in the Citizens Tax Assembly, a group seeking property tax reform. For renters like Bradley, high taxes mean constant increases from landlords.



KEVIN R. WICKLER/Herald News

Loretta Bradley of Passaic is involved in the Citizens Tax Assembly, a group seeking property tax reform. For renters like Bradley, high taxes mean constant increases from landlords.

Sunday, November 20, 2005

TAXED OUT: AT THE BREAKING POINT

HERALD NEWS A15



Loretta Bradley still stays active in both the New Jersey Education Association and Passaic County Education Association, despite being on disability. She pays \$1,000 in rent for her Passaic apartment, with increases of nearly \$15 a month each year. State borrowing could help force that price even higher.

SOLUTIONS

At least half of the state legislators in the nation have considered some sort of spending or tax reform in the past year, according to the National Conference of State Legislatures. Most states already have some sort of property tax rebate or spending limit in effect. And in nearly every instance, whether or not it has been enacted, the debate has spurred about the reform's effectiveness. That's because voters are looking for a solution to what is essentially a local problem, said Bill Albers, spokesman for the national nonprofit Tax Foundation. "If voters turn to the governor for relief from high property taxes, that relief is going to come with a budget and won't satisfy them," Albers said. "If they want lower property taxes, voters have got to learn to get off their duffs and go on to city hall."

Here's a look at the most noteworthy attempts at reform and what happened:

MICHIGAN

What: Proposition A

When: Enacted in 1994

Highlights: To reform the way it financed K-12 schools, voters approved a 2.5-cent millage, a proposal to limit property tax increases to the rate of inflation and to increase the sales tax by 2 cents. **Results:** The combination of Proposition A and another state constitutional amendment have lowered the state's property tax burden by more than 3 percent since the state's last major property tax increase. The state also has laid off employees and cutting back on library hours to balance their books. However, the state reported that nonresidents realized a 45 percent reduction in their tax bills over the first five years of the measure. The state and local tax burden went from 3 percent above the national average to 6 percent below.

COLORADO

What: Taxpayer Bill of Rights (TABOR)

When: Enacted in 1993

Highlights: To reform the nation's strictest tax on spending, voters passed a 2.5-cent millage, a proposal to limit property tax increases to the rate of inflation and to increase the sales tax by 2 cents. **Results:** In the '90s as the state's population soared, the budget grew and residents received a rebate that cut their taxes in half. Then, when the market crashed in 2001, the state was forced to cut \$1 billion in spending. Gov. Bill Owens, originally a supporter of TABOR, became an opponent of the reform, and threatened this year that the state would have to close state parks, cut back on aid to the poor and the college tuition to meet the restrictions of TABOR.

CALIFORNIA

What: Proposition 13

When: Enacted in 1978

Highlights: Considered the grand daddy of property tax reform, Proposition 13 limits property tax increases to no more than 2 percent unless the property is sold, and a flat rate of 1 percent of the market value of the home. It also requires a two-thirds majority in the Legislature to increase state tax rates, and voter approval of any change in local tax rates. **Results:** The state found that property taxes declined by an average of 55 percent. A study by the University of California Davis found that under Proposition 13, low- and middle-income homeowners, on average, pay less in taxes than they would under the former property tax system.

Update: On Nov. 8, California voters overwhelmingly rejected Proposition 13, backed by Gov. Arnold Schwarzenegger. Proposition 13, considered an outgrowth of Proposition 13, would have limited state-year state budget growth to the rate of inflation plus one percent over the past three years. It also would have required a two-thirds vote of the Legislature for any statute that would increase taxes for any taxpayer.

Budget time, borrow time

Pension, highway funds lacking

By JACIMINI

Herald News

In the next year, the state is staring at huge deficits in its pension system and Transportation Trust Fund. There's a common link to those financial woes: bonding. "The state has failed to do any fundamental reform. We're trying to decrease taxes, but we're just keep spending money we don't have," said James Higgins, dean of Rutgers University's Edward J. Royce School of Management and Public Policy. During the last economic time of the 1990s, the state handed out lucrative tax cuts but didn't lower its spending. It continued to rack up debt by issuing bonds. That debt has continued to compound and now threatens to overwhelm next year's state budget. Here's a look at how that happened.

Pension liabilities

In 1997, then Gov. Christine Todd Whitman needed to pay for a promised tax cut. So the state borrowed \$2.8 billion from the pension fund through bonds, but would not repay the debt. The 7.64 percent interest on the debt also creates a surplus and the gap. It was not an uncommon move. According to Standard & Poor's, \$30 billion has been raised in the last decade for local and state governments by issuing such bonds. But in 2000, the market fell. Since then, the state has not made enough to pay back the principal and interest on the debt and is again losing ground on the pension gap. In 2001, responding to in-

creasing union pressure, the Legislature passed a bill that increased benefits 9 percent for 715,000 teachers, cops, firefighters and other public employees, and temporarily lowered payments made into the system. By then, the Legislature had canceled one budget that entirely skipped paying the state's portion of the pension fund, which covers state employees and the employer's portion of the teachers' pension fund. Despite growing fiscal crisis, the Legislature approved ignoring the state's pension obligation three more times by 1998. Compounding the problem is the increasing number of retirees. Since 2000, the number of local government retirees drawing pensions has increased more than 17 percent, while the number of state retirees has grown 25 percent.

The result is that the state's pension funds, which cover teachers, cops, firefighters and other state and local employees, face a \$12.1 billion deficit this year, according to the State Dept. of Pension and Benefits. Acting Gov. Richard Codey, who was Senate sponsor of the bill allowing municipalities to skip their payments, commended a task force. "We're really paying up the debt. The fact is, we're not," Codey said. Meanwhile, the state's teachers and police and firefighters unions have filed lawsuits to force the state to pay its portion of the deficit. Transportation Trust Fund The trust fund dedicates a portion of the state's fuel tax to state road, bus and rail projects, as well

Looming pension problem

Municipalities in North Jersey would be paying millions more this year in pension liabilities were it not for state legislation granting them a reprieve. Most municipal finance officers say that's a burden their budgets cannot handle.

| MUNICIPALITY | What they pay now | What they really owe | Difference |
|---------------|-------------------|----------------------|----------------|
| BOHICA | \$62,000 | \$62,000 | \$0 |
| CARLISLE | \$52,955 | \$63,000 | \$10,045 |
| CLIFTON | \$2.7 million | \$4.9 million | \$2.2 million |
| E. RUTHERFORD | \$97,000 | \$92,000 | \$5,000 |
| ELMWOOD PARK | \$43,000 | \$69,000 | \$26,000 |
| FAR LAWN | \$79,000 | \$1.3 million | \$1,221,000 |
| GARFIELD | \$20,000 | \$16 million | \$15,980,000 |
| HALEDON | \$76,000 | \$28,000 | \$48,000 |
| HAWTHORNE | \$36,000 | \$42,000 | \$6,000 |
| LITTLE FALLS | \$33,000 | \$45,000 | \$12,000 |
| LOD | \$499,000 | \$44,000 | \$455,000 |
| M. HALEDON | \$74,000 | \$39,000 | \$35,000 |
| PASSAIC | \$2.7 million | \$5 million | \$2.3 million |
| PATERSON | \$6.3 million | \$16 million | \$9.7 million |
| POMPONONK | \$240,000 | \$48,000 | \$192,000 |
| PROSPECT PARK | \$23,000 | \$22,000 | \$1,000 |
| RINGWOOD | \$42,000 | \$49,000 | \$7,000 |
| RUTHERFORD | \$54,000 | \$91,000 | \$37,000 |
| TOTOWA | \$64,000 | \$36,000 | \$28,000 |
| WALLINGTON | \$62,097 | \$46,000 | \$16,097 |
| WANAEQUE | \$203,000 | \$73,000 | \$130,000 |
| WYVAE | \$16 million | \$2.9 million | \$13.1 million |
| WEST MILFORD | \$69,000 | \$11 million | \$10,310,000 |
| WEST PATERSON | \$26,000 | \$76,000 | \$50,000 |

Source: State Dept. of Pension and Benefits

VALERIE MORRISSEY/Herald News

"Right now the transition team is putting together advisory groups on the various issues to assist in implementing his agenda," wrote Corzine spokeswoman Kriste Menden in an e-mail response to questions. **Update:** In 2005, a commission formed by then Gov. James McGreevey recommended increasing NJ Transit fees and the state's fuel tax and amending the constitution to require the money be spent only on transportation projects. It also recommended accounting separately to ensure the fund stays relatively debt free. So far, there's no new revenue source. "Should the trust fund go beyond the triple deficit will be disappointing," said Jim Shure, president of the liberal think tank New Jersey Policy Perspective. During the campaign for governor, Corzine said he would not increase the fuel tax but cut the trust fund. Last week, his representative was more circumspect and spoke with specifics.

Taxes: Loss of high-paying, white-collar jobs hurts

Continued from A14

At one time, Oswald's pension and Rutgers University's Center for Urban Policy Research. The state's major businesses are not providing revenue growth in the next five years, according to Hoover's Outlook. Plus, the state is losing white-collar, high-paying jobs, a trend that likely is continuing, according to the reports. These jobs are being replaced by ones in the service sector that pay much less. Less growth means less in both most taxes collected. Fewer high-paying white-collar jobs means less in income tax revenue. More than 50 percent of the state's revenue comes from those two sources. Should either decline, the state would have to choose how to tighten its belt. And that's what it has done. In 2001, when it had to raise its year-at-year levels. In the last five years, the percentage increase in the state's aid to cities can be measured in the single digits.

The street outside his house has only been repaved once since he has been there, he said. Stevens used to be swept routinely. Now, he counts himself lucky if they come through twice a year. "The fact that his road may not have been repaved in that time is a result of the quality of work that was done when it was constructed, not a lack of service," Oswald said. "I don't think it's fair to say that the road is swept at least once a year and second, whether a road is repaved depends on its condition, which inspection workers don't do with the road."

In years ago he went to local leaders to ask them to hold a community center, a place where local people could meet. Nothing happened. So Oswald sought out a grant and became the founder of the Wayne Adult Community Center, now located on the Schuyler-Cotbus School grounds. "I can't get be-



Anton Oswald moves through his kitchen, using a cane for support. Ten years ago he founded the Wayne Adult Community Center after seeking out a grant.

"And do you know what they (private business leaders) said to me when I asked why we couldn't get a community center? They said, 'We can't build it. Can you be-

lieve that?"

Reach Jaci Smith at 973-269-7183 or smithj@heraldnews.com