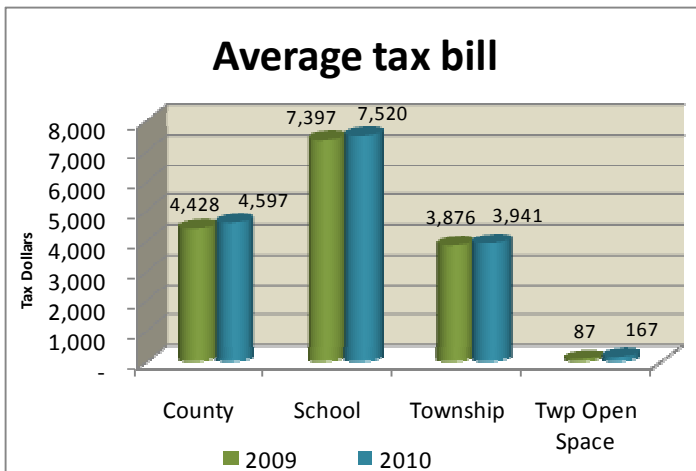




2010 Princeton Township Budget Summary

This document was prepared by the Citizens' Finance Advisory Committee (CFAC), with the assistance of Administrative Staff, at the direction of the Township Committee. It is our goal to provide you with clear and detailed information regarding Township revenues and expenditures.



Revaluation in perspective:

	2009	2010
Average residential value:	\$434,108	\$837,350
Township tax rate	\$0.893	\$0.471

Average tax bill:

Princeton Regional Schools	\$ 7,397	\$ 7,520
Mercer County	4,428	4,597
Princeton Township	3,876	3,941
Township Open Space	87	167
	<u>\$15,788</u>	<u>\$16,225</u>

Property revaluation

- As directed by the Mercer County Tax Board, Princeton Township conducted a Township-wide revaluation of properties
- Any municipality whose ratio of assessed value to market drops below 70% can be ordered to perform a revaluation; Princeton Township's ratio was 47.6%
- The revaluation equalizes property values to make them more representative of true market values
- Although average assessed values increased 92%, the tax rate adjusted downward accordingly

The Township tax rate increase is 1.7%

- This translates into an increase in the average tax bill of \$65.32 per year
- This increase is the smallest in 25 years
- State Aid decreased 24% from 2009
- The tax rate was increased a minimal amount to cover the last minute cut in State Aid

Township budget strategy

- While the strategy was to have no tax increase, this was thwarted by the cut in State Aid
- Tried to keep the tax rate flat without eliminating services and maintaining adequate reserves

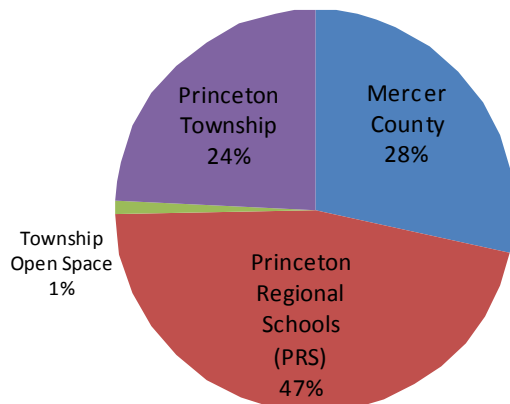
Actions taken by Township Committee

- Salary and wage freeze for all non-union employees
- Salary and benefit reductions and furloughs for unionized employees
- Budget cuts, and for Joint Agencies spending was reduced in all areas
- Appropriated additional reserves to minimize municipal increase

Looking Ahead:

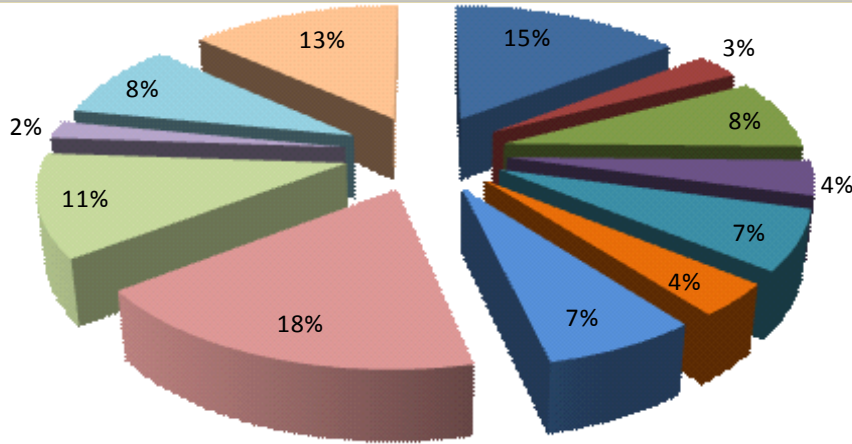
- Continue to explore the potential for cost savings from additional shared services and consolidation
- Working with tax exempt institutions to secure fair voluntary payments under long term agreements
- Prioritize capital spending plans on a long term basis to minimize tax impact

Where your taxes go:



NJ State Law requires Princeton Township to collect taxes for Mercer County and PRS

PRINCETON TOWNSHIP 2010 EXPENDITURES - \$35,945,211



Public Safety
Health/Housing/Human Services
Public Works/Utilities/Buildings and Grounds
Land Use
Admin/Finance/Court
Parks/Recreation/Seniors
Library
Capital Investment
Statutory/Employee Benefits
Grants
Sewer
Reserve

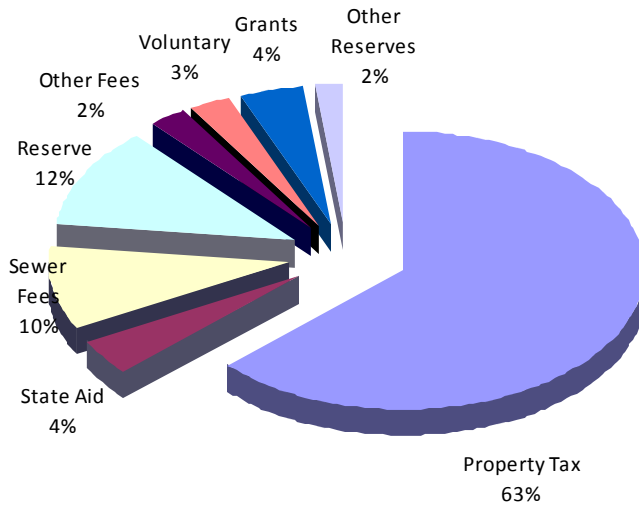
PRINCETON TOWNSHIP-2010 BUDGET EXPENDITURES

Category	Department	2009 Budget	2010 Budget	% Change
Public Safety	Police / Police Dispatchers	4,222,623	4,194,930	-0.7
	Fire Safety / Emergency Mgmt	99,720	102,073	2.4
	Hazardous Route Busing	139,000	141,750	2.0
	First Aid**/Fire**/Fire Facilities**/ Hydrants	783,241	817,538	4.4
Health and Human Svcs	Corner House**	298,573	251,167	-15.9
	Human Services **	171,592	140,611	-18.1
	Regional Health** / Joint Environmental**	287,722	293,319	1.9
	Animal Control**/Deer Mgmt	146,949	150,078	2.1
	Contribution to Affordable Housing	200,000	200,000	0.0
Public Works/Utilities	Utilities /Community Services Act	668,500	668,500	0.0
	Roads / Vehicle Maintenance	1,673,213	1,664,065	-0.5
	Buildings and Grounds	351,713	284,950	-19.0
	Recycling/Shade Tree	255,204	197,387	-22.7
Planning / Land Use	Regional Planning Board**	355,553	358,624	0.9
	Zoning /Historic Preservation	215,448	216,181	0.3
	Engineering	835,928	811,621	-2.9
General Government	Administration/Finance/Court/Tax	1,723,447	1,543,317	-10.5
	Legal / Prosecutor / Public Defender	536,000	490,500	-8.5
	Information Technology	365,971	365,971	0.0
Parks/Recreation/Seniors	Parks and Playgrounds/Joint Recreation Board**	1,222,134	1,229,743	0.6
	Senior Resource Center*, **	65,930	92,555	40.4
Library	Princeton Public Library**	2,510,925	2,538,581	1.1
Debt Service for Capital Investment	Bonds and Notes	5,834,203	6,138,326	5.2
	Down payments	300,000	300,000	0.0
Statutory / Empl Benefits	Insurance (Medical, Liability, WC, FICA)	2,769,464	2,807,075	1.4
	Pensions	1,334,503	1,309,578	-1.9
Grants	Grants (directly offset by revenues)	1,955,823	698,398	-64.3
Sewer	Sewer**	3,314,876	3,096,243	-6.6
Reserve	Reserve for Uncollected Taxes and Unanticipated budget appropriations	4,130,897	4,728,544	14.5
	Revaluation pay down	110,000	110,000	0.0
Total Expenditures		36,879,152	35,945,211	-2.5

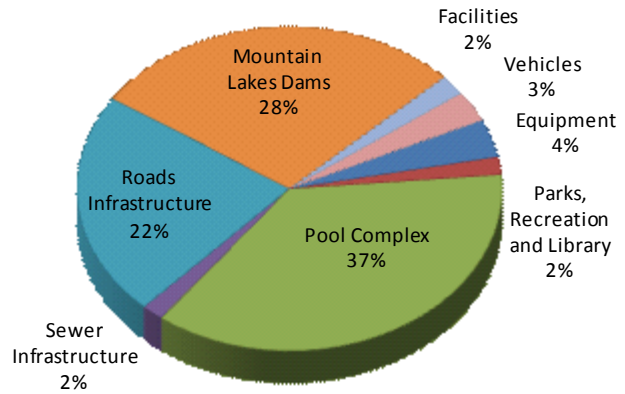
* Increase due to moving Crosstown Services to Senior Center

** Represents a Joint Agency or Interlocal Agreement

2010 Sources of Revenue \$35,945,211



2010 Budget Capital Plan \$11,180,120



*Mountain Lakes Dams project is fully funded by an outside source donation of \$3.2 million and will not utilize taxpayer funds.
 **The Pool Complex is a \$6.1 million joint project with Princeton Borough, the Recreation Fund, and the Recreation Board. \$2 million dollars in pledged funds will come from the latter two sources

PRINCETON TOWNSHIP - BUDGET REVENUES

Category	Revenue Source	2009 Budget	2010 Budget	% Change
Reserve	Surplus	3,200,000	4,125,000	29%
Other Fees	Licenses	17,490	16,400	-6%
	Fees and Permits	77,900	82,700	6%
	Municipal Court Fines	350,000	346,750	-1%
	Interest	520,400	422,500	-19%
	Total Other Fees	965,790	868,350	-10%
Sewer Fees	Sewer Revenue	3,542,500	3,400,000	-4%
Voluntary Contributions from tax exempt institutions	Institute for Advanced Study	230,000	240,000	4%
	Tenacre Foundation	477,700	494,400	3%
	Princeton Community Village	248,000	234,600	-5%
	Total Voluntary Contributions	955,700	969,000	1%
State Aid	Municipal Property Tax Aid/Other	118,782	51,437	-57%
	Energy Receipts Tax	1,798,996	1,412,029	-22%
	Total State Aid	1,917,778	1,463,466	-24%
Grants	Interlocal: Joint Agencies w/Boro	769,213	737,131	-4%
	State / Local Grants	1,664,513	375,124	-77%
	Contributions	281,310	313,810	12%
	Total Grants	2,715,036	1,426,065	-47%
Other Reserves	Res for Wastewater Treatment	120,774	1,935	-98%
	Reserve for Fire Protection Fund	129,000	120,000	-7%
	Res for Debt Svc / Assmt Trust	630,000	606,639	-4%
	Capital Surplus	100,000	0	-100%
	Total Reserves	979,774	728,574	-26%
Township Taxes	Delinquent Taxes	815,189	820,000	1%
	Property Tax (Municipal portion)	21,787,386	22,144,756	2%
	TOTAL REVENUES	36,879,153	35,945,211	-2.5%

The Citizens' Finance Advisory Committee:

Scott Sillars, Chairman
Zvi Eiref, Vice Chairman
Jason Peterson
John Wynne, Jr.
Anne Burns
Deputy Mayor Chad Goerner—Liaison
Mayor Bernard P. Miller—Liaison

Township of Princeton

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Princeton, NJ 08540
Phone: (609) 924-5704
Fax: (609) 688-2031
Website: www.princetontwp.org
Email: CFAC@princeton-township.nj.us

ABOUT CFAC

The Citizens' Finance Advisory Committee was established in 2008 for the purpose of advising Township Committee on financial matters. The Mayor, Deputy Mayor, Township Administrator and Chief Financial Officer, and other experts and guests regularly attend its monthly meetings.

Committee members are seasoned professionals from private industry that bring different perspectives and experiences to augment the work of the Township Administration and Committee.

In its first two years, the CFAC has undertaken several special projects with the Township Committee's consent:

- Reviewed the financial issues that arise from the presence of large tax-exempt institutions, such as Princeton University, on the Township's cost structure
- Analyzed the Township capital spending priorities in order to model their potential impact on debt levels and future budgets
- Developed financial planning tools that will help the township manage the budget process and prioritize capital spending
- Reviewed the Township's 2010 budget and recent financial performance with the goal of advising Township Committee on the long-term stability of the Township's financial condition
- The CFAC delivered its annual report to Township Committee at its May 24th meeting, in which it noted that the tax increase, wage freezes and other actions taken were necessary to support the Township's ongoing financial stability. During this review, it was noted that the Township has reduced employment by 18% in the last 6 years.

IT'S ALL ABOUT SERVICES

The Princeton Township **Police Department** is staffed by 30 sworn officers, 6 civilian communications officers, and 3 civilian administrative support. Together they provide 24/7 service to the citizens and visitors of Princeton, and they take pride in the fact that its makeup mirrors the diverse community which it serves. Last year they responded to over 21,000 calls for service.

The **Recreation Department** enters its 45th year of offering services to the community. The Recreation Board is currently focusing on completing the plans and specifications for the renovation of the Community Park Pool. Our funding requirement will be reduced by a \$2 million pledge from the Recreation Board, and the Princeton Parks and Recreation Fund.

The **Princeton Sewer Operating Committee (PSOC)** operates and maintains the sanitary sewerage system that serves both the Borough and Township. The PSOC also maintains and monitors the closed Princeton Landfill and associated lands located on River Road.

The **Engineering Department** is responsible for the management of all Capital Improvement projects including the \$3.2 million Mountain Lakes Dams rehabilitation project funded entirely by an anonymous donor; the \$1 million Stony Brook Trail project being primarily funded through State and Federal grants; In addition to this, the **Department of Public Works** maintains the Township's roads and will resurface two miles of roadway this year.

Other department services include: Fire Prevention, Affordable Housing, Corner House, Planning, Zoning, Historic Preservation, Senior Resource Center, Information Technology, Human Services, Regional Health Department, Construction, Finance and Tax Collection, Tax Assessor, Municipal Clerk, Administration, and Municipal Court.

If you have any questions or comments please contact us at: CFAC@princeton-township.nj.us. To view the **CFAC Annual Report**, visit the Township website www.princetontwp.org.

PRINCETON TOWNSHIP: A GREAT PLACE TO BE

The Township of Princeton covers an area of 16.5 square miles in the heart of central New Jersey. It surrounds the 1.85 square mile area of the Borough of Princeton. The 2000 census stated the population of the Township to be 16,027. A substantial portion of the property of Princeton University lies within the borders of the Township as does all the property of the Institute for Advanced Study. More than 25% of Princeton Township consists of major parks, recreation facilities and open space. Princeton Township is one of only ten municipalities in New Jersey to maintain a AAA bond rating.

THIRD QUARTER 2010 TAXES ORIGINALLY DUE AUGUST 1, 2010 WILL NOW BE DUE AUGUST 10, 2010, THIS INCLUDES A TEN-DAY INTEREST-FREE GRACE PERIOD. THE INTEREST-FREE GRACE PERIOD APPLIES ONLY TO THOSE TAXPAYERS WHO HAVE PAID THEIR TAXES THROUGH THE SECOND QUARTER OF 2010. THOSE ACCOUNTS WITH DELINQUENCIES AND ANY PAYMENTS RECEIVED AFTER AUGUST 10, 2010 WILL BE CHARGED INTEREST FOR THE THIRD QUARTER FROM AUGUST 1, 2010 TO THE DATE OF PAYMENT AT THE CURRENT AUTHORIZED RATE (8% OF THE FIRST \$1,500 OF DELINQUENCY AND 18% ON THE EXCESS OVER \$1,500). [PER STATE OF NJ, P.L. 1994, C.72, SIGNED JULY 14, 1994.]