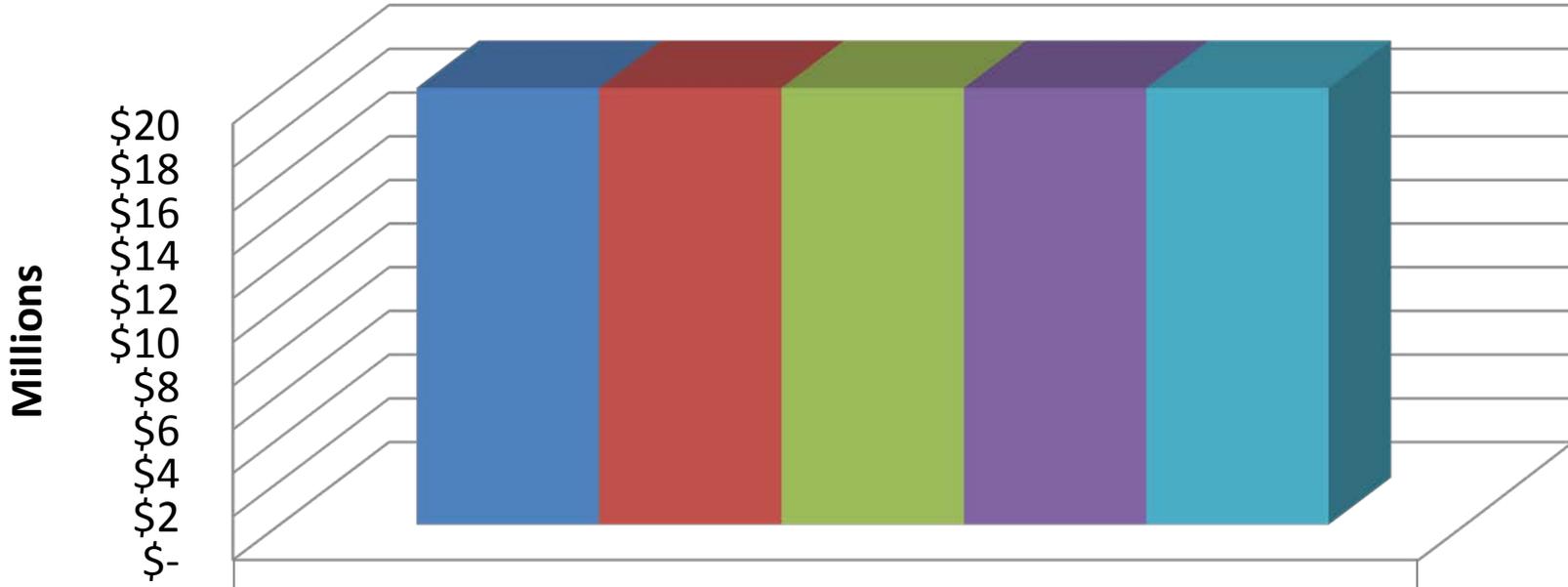


Township of Hopewell

2015 Municipal Budget Presentation

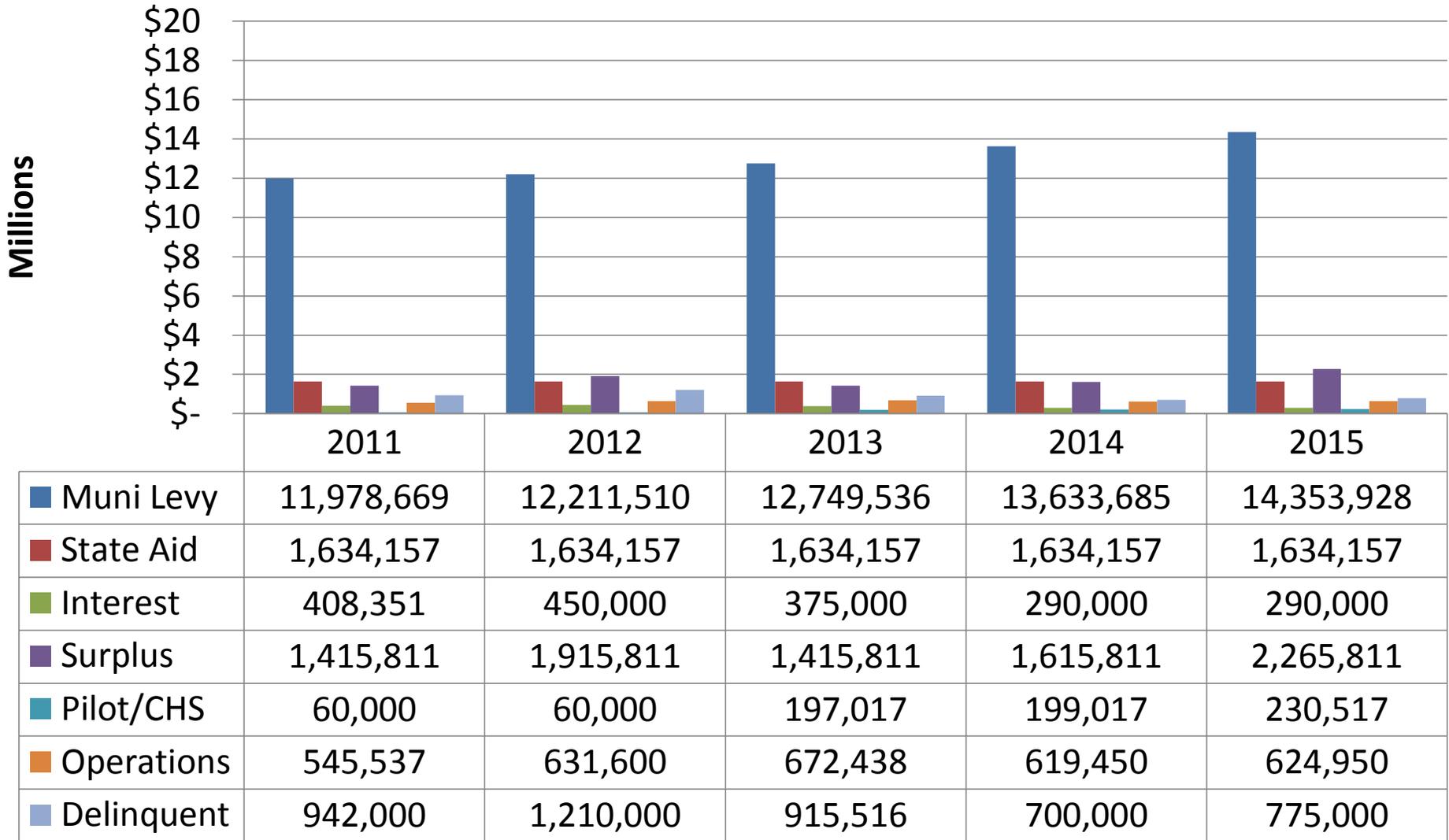


Township of Hopewell Budget History

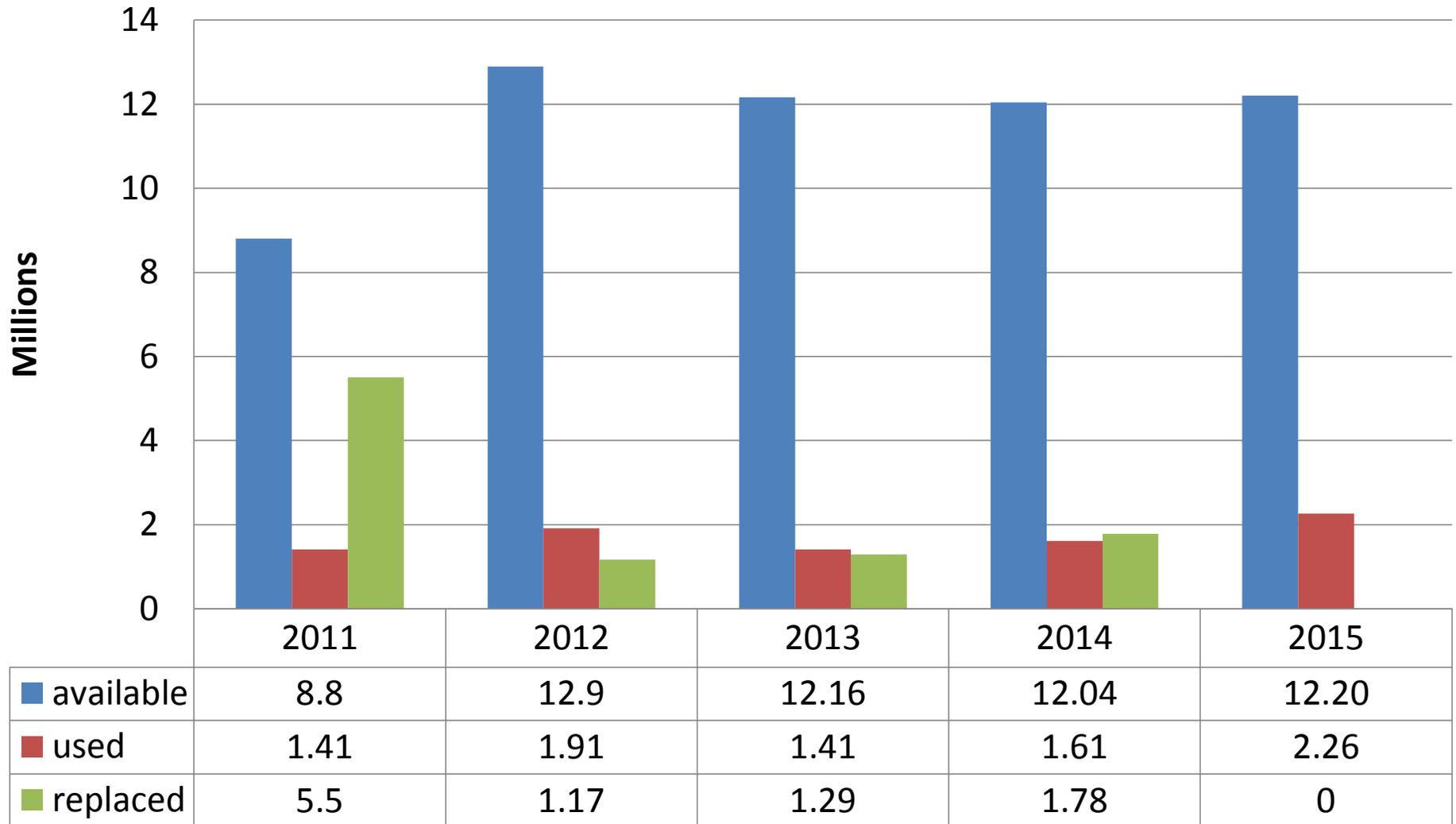


| | annual budget |
|--------|---------------|
| ■ 2011 | 20,503,470 |
| ■ 2012 | 20,089,338 |
| ■ 2013 | 21,116,199 |
| ■ 2014 | 20,963,661 |
| ■ 2015 | 24,615,442 |

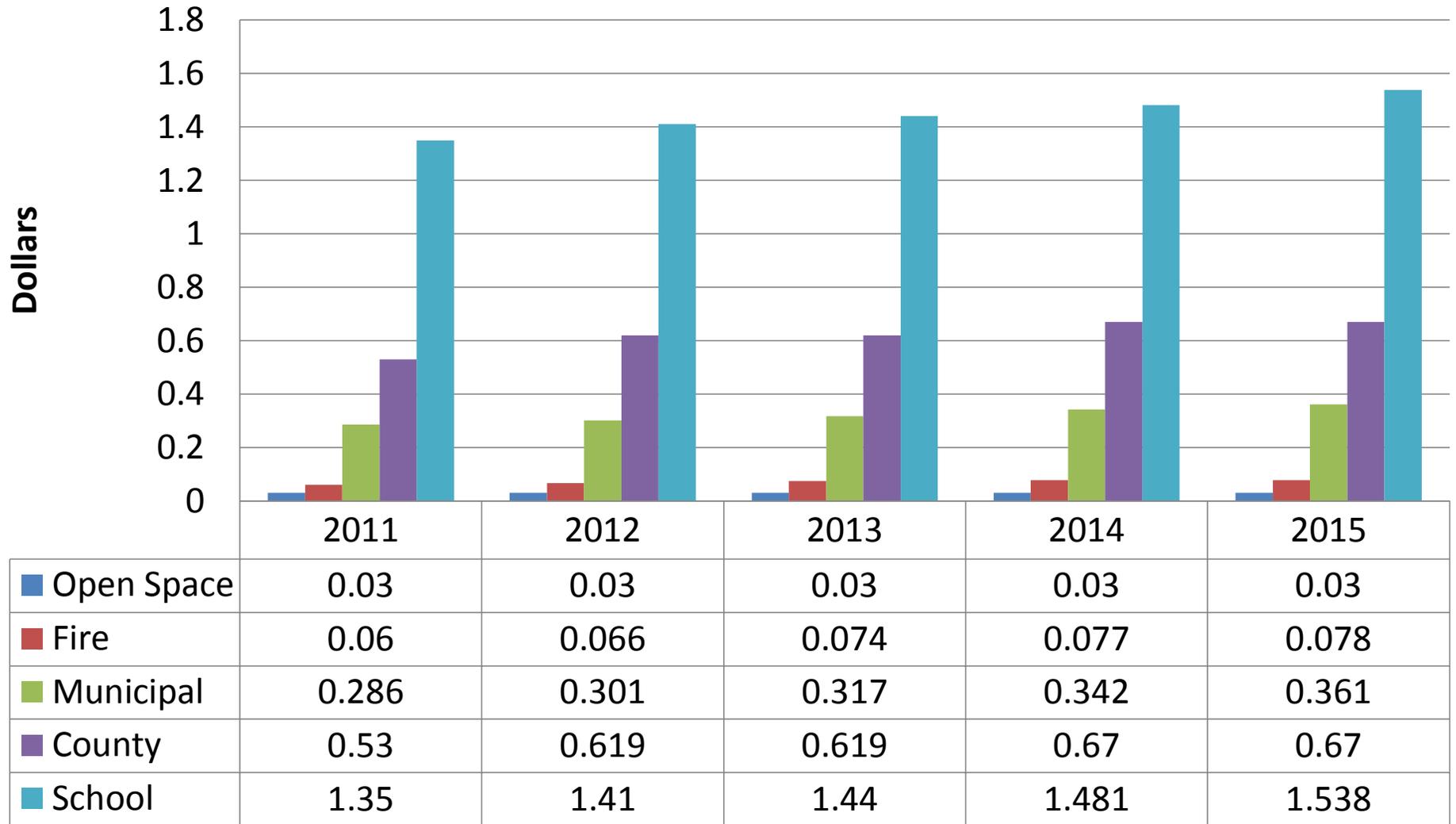
Township of Hopewell Revenue History



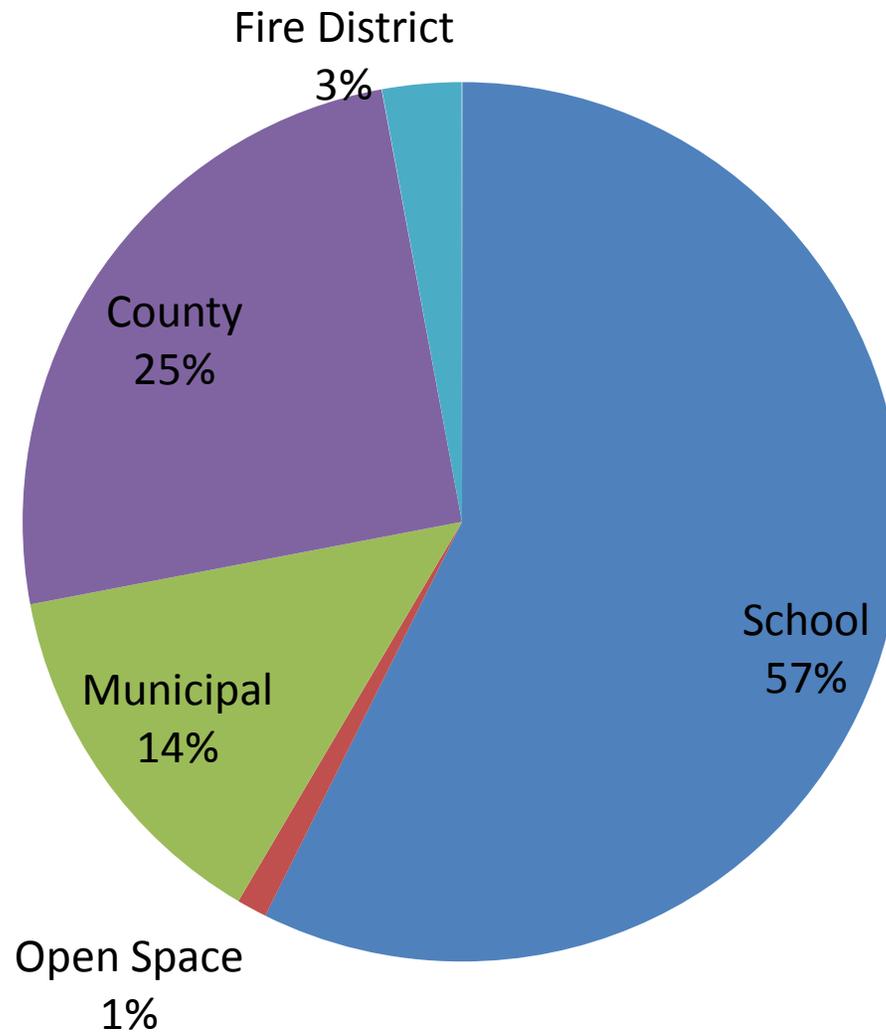
Township of Hopewell Surplus Comparison



Township of Hopewell Tax Rate Comparison



Township of Hopewell 2015 Tax Distribution



2014 Mercer County Municipal Tax Rates

| | Municipality | 2014 Tax Rate | Equalized Rate | Equalized Tax Rate |
|----|------------------|---------------|----------------|--------------------|
| | | | | |
| 1 | Hopewell Twp | .342 | 102.16 | .349 |
| 2 | West Windsor | .384 | 97.31 | .373 |
| 3 | Princeton | .417 | 93.18 | .388 |
| 4 | Pennington | .403 | 99.60 | .401 |
| 5 | East Windsor | .431 | 103.64 | .446 |
| 6 | Lawrence | .526 | 97.76 | .514 |
| 7 | Hopewell Borough | .487 | 108.14 | .526 |
| 8 | Robbinsville | .531 | 102.18 | .542 |
| 9 | Hamilton | 1.222 | 61.15 | .747 |
| 10 | Ewing | 1.293 | 67.65 | .874 |
| 11 | Hightstown | 1.154 | 92.84 | 1.071 |
| 12 | Trenton | 3.857 | 85.80 | 3.309 |
| | | | | |
| | | | | |

Township of Hopewell

Debt History a/o 12/31/XX

| Description | 2011 | 2012 | 2013 | 2014 |
|-----------------------|-----------------|-----------------|-----------------|---------------|
| Debt Ceiling** | \$146,904,080 | \$143,199,492 | \$139,821,628 | \$138,411,052 |
| Net Debt Authorized | \$54,268,763 | \$55,039,230 | \$55,003,379 | 55,219,005 |
| Equalized Valuation | \$4,197,259,448 | \$4,091,414,083 | \$3,994,903,658 | 3,954,601,507 |
| % Debt Ceiling | 1.29% | 1.345% | 1.377% | 1.396% |
| Debt Service – Budget | \$3,214,047 | \$3,167,876 | \$3,582,014 | 3,964,596 |
| Revenue Offset | 1,240,234 | 875,997 | 1,571,486 | 1,358,697 |
| Net Debt | 1,973,013 | 2,291,879 | 2,010,528 | 2,605,899 |

** The debt ceiling is calculated as 3½% of the average equalized valuation of the town. The average equalized valuation is the average of the prior three years equalized valuations.

Debt Outstanding as of 12/31/14

| | General Obligation | Water | Sewer | Open Space | Affordable Housing | Total |
|-------|--------------------|--------|-----------|------------|--------------------|------------|
| Bonds | 29,952,857 | 56,150 | 603,850 | 10,311,143 | 19,066,000 | 59,990,000 |
| Notes | 9,773,829 | 40,000 | 791,559 | 2,386,861 | 0 | 12,992,249 |
| | | | | | | |
| Total | 39,726,686 | 96,150 | 1,395,409 | 12,698,004 | 19,066,000 | 72,982,249 |

* In addition to the above the Township has an outstanding Green Trust Loan with a balance of \$323,314.96

Fixed Appropriations

| Appropriations – Fixed | \$ | % of Budget |
|-----------------------------------|---------------|-------------|
| Debt Service | 6,461,364.65 | 26.25% |
| Health Benefits | 2,277,695.94 | 9.25% |
| Reserve for Uncollected | 1,489,366.50 | 6.05% |
| Pensions | 1,195,035.83 | 4.86% |
| Social Security | 560,000.00 | 2.28% |
| Grants | 345,721.10 | 1.40% |
| Snow Emergency | 85,266.30 | 0.35% |
| Disability/Unemployment Insurance | 31,750.00 | 0.13% |
| Audit | 30,000.00 | 0.12% |
| Twin Pines Fee/Turf | 16,662.50 | 0.07% |
| Emergency Sandy | 8,071.94 | 0.03% |
| Fire Services | 4,321.00 | 0.02% |
| Contribution to Water Utility | 3,398.26 | 0.01% |
| Recycling Tonnage Tax | 1,000.00 | 0.00% |
| Total | 12,509,654.02 | 50.82% |

General Obligation Debt

| | Issue | 2014 Principal | 2014 Interest | | 2015 Principal | 2015 Interest | | Change Principal | Change Interest |
|-----------------|----------|-------------------|------------------|--|-------------------|------------------|--|---------------------|--------------------|
| Bonds | | | | | | | | | |
| | 2002 | 445,000.00 | 124,650.00 | | 445,000.00 | 106,850.00 | | 0 | -17,800.00 |
| | 2006 | 477,540.00 | 340,830.00 | | 545,760.00 | 313,470.90 | | 68,220.00 | -27,359.10 |
| | 2010 | 573,600.00 | 352,257.32 | | 669,200.00 | 333,615.32 | | 95,600.00 | -18,642.00 |
| | 2014 | 0 | 164,076.89 | | 600,000.00 | 357,880.00 | | 600,000.00 | 193,803.11 |
| | 2015 | 0 | 0 | | 0 | 87,055.89 | | 0 | 87,055.89 |
| Notes | | 2,470.09 | 146,380.00 | | 9,574.03 | 78,274.00 | | 7,103.94 | -68,106.00 |
| | Subtotal | 1,498,610.09 | 1,128,194.21 | | 2,269,534.03 | 1,277,146.11 | | 770,923.94 | 148,951.90 |
| Held in Reserve | | 218,242.65 | | | 1,734,577.97 | | | 1,516,335.32 | |
| | Total | 1,716,852.74 | 1,128,194.21 | | 4,004,112.00 | 1,277,146.11 | | 2,287,259.26 | 148,951.90 |

Net increase to budget

2,436,211.16

Affordable Housing Debt

| | Issue | 2014 Principal | 2014 Interest | | 2015 Principal | 2015 Interest | | Change Principal | Change Interest |
|-----------------|----------|----------------|---------------|--|----------------|---------------|--|------------------|-----------------|
| Bonds | | | | | | | | | |
| | 2010 | 219,200.00 | 138,870.04 | | 219,200.00 | 132,294.04 | | 0 | -6,576.00 |
| | 2014 | 0 | 194,368.37 | | 400,000.00 | 428,612.50 | | 400,000.00 | 234,244.13 |
| Notes | | 263.74 | 112,654.00 | | | | | -263.74 | -112,654.00 |
| | Subtotal | 219,463.74 | 445,892.41 | | 619,200.00 | 560,906.54 | | 399,736.26 | 115,014.13 |
| Held in Reserve | | 454,192.82 | | | | | | -454,192.82 | |
| | Total | 673,656.56 | 445,892.41 | | 619,200.00 | 560,906.54 | | -54,456.56 | 115,014.13 |

Net increase to budget

60,557.57

Non-Discretionary Services

| Non-Discretionary Services | \$ | % of Budget |
|----------------------------|--------------|-------------|
| Executive | 630,174.84 | 2.56% |
| Liability Insurance | 424,088.00 | 1.72% |
| Public Health Services | 309,751.29 | 1.26% |
| Municipal Court | 269,287.90 | 1.09% |
| Buildings and Grounds | 264,871.49 | 1.08% |
| Community Development | 253,924.72 | 1.03% |
| Financial Administration | 218,706.03 | 0.89% |
| Street Lighting | 175,000.00 | 0.71% |
| Municipal Clerk | 162,625.02 | 0.66% |
| Assessment of Taxes | 147,193.96 | 0.60% |
| Collection of Taxes | 93,552.55 | 0.38% |
| Legislative | 41,450.00 | 0.17% |
| Solid Waste/Recycling | 29,000.00 | 0.12% |
| Public Defender | 21,600.00 | 0.09% |
| | | |
| Total | 3,041,225.80 | 12.36% |

Discretionary Service Levels

| Discretionary Service Levels | \$ | % of Budget |
|------------------------------|--------------|-------------|
| | | |
| Police Service | 3,635,760.04 | 14.77% |
| Public Works | 2,196,061.51 | 8.92% |
| Capital Improvements | 729,093.19 | 2.96% |
| Fleet Maintenance | 403,002.26 | 1.64% |
| Legal | 373,455.00 | 1.52% |
| Fuel | 325,000.00 | 1.32% |
| Utilities | 175,000.00 | 0.71% |
| Telephone | 96,500.00 | 0.39% |
| Engineering | 88,500.00 | 0.36% |
| Animal Control | 65,000.00 | 0.26% |
| | | |
| | | |
| Total | 8,087,372.00 | 32.85% |

Discretionary Services

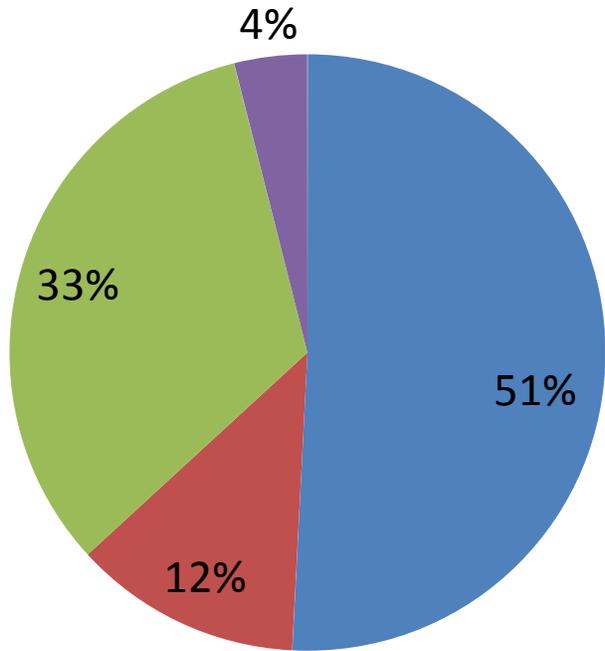
| Discretionary Services | \$ | % of Budget |
|---------------------------|------------|-------------|
| | | |
| Shared Service Agreements | 695,203.82 | 2.82% |
| Recreation | 117,721.39 | 0.48% |
| Parks Maintenance | 81,758.33 | 0.33% |
| Sr. Services | 60,546.15 | 0.25% |
| Historic Preservation | 14,760.00 | 0.06% |
| Environmental Commission | 7,200.00 | 0.03% |
| | | |
| | | |
| Total | 977,189.69 | 3.97% |

Expense Summary

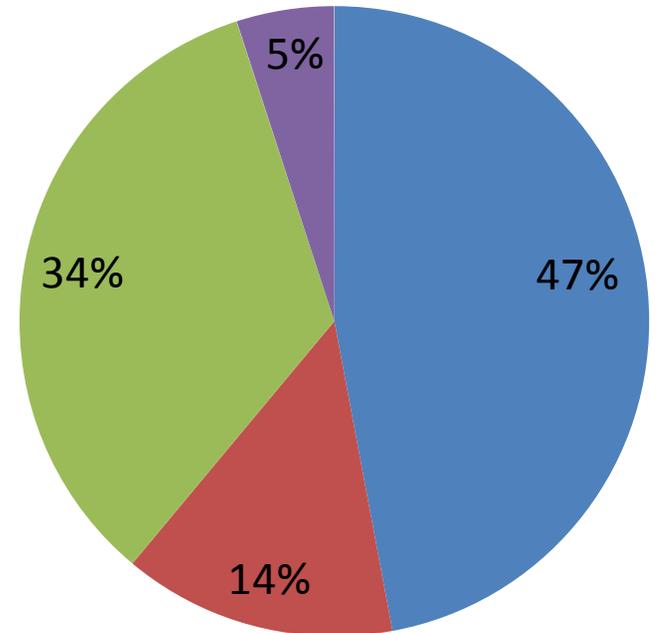
| Expense Summary | \$ 2015 | \$ 2014 | % of 2015 Budget | % of 2014 Budget | \$ Change | % Change |
|------------------------------|---------------|---------------|------------------|------------------|--------------|----------|
| | | | | | | |
| Fixed Appropriations | 12,509,654.02 | 9,859,385.17 | 50.82% | 47.03% | 2,650,268.85 | 26.88% |
| Non-Discretionary Services | 3,041,225.80 | 2,941,964.01 | 12.36% | 14.03% | 99,261.79 | 3.37% |
| Discretionary Service Levels | 8,087,372.00 | 7,109,303.53 | 32.85% | 33.91% | 978,068.47 | 13.76% |
| Discretionary Services | 977,189.69 | 1,053,007.93 | 3.97% | 5.03% | -75,818.24 | -7.20% |
| | | | | | | |
| Total | 24,615,441.51 | 20,963,660.64 | 100.00% | 100.00% | 3,651,780.87 | |
| | | | | | | |

Township of Hopewell Expense Summary Per Budget

2015



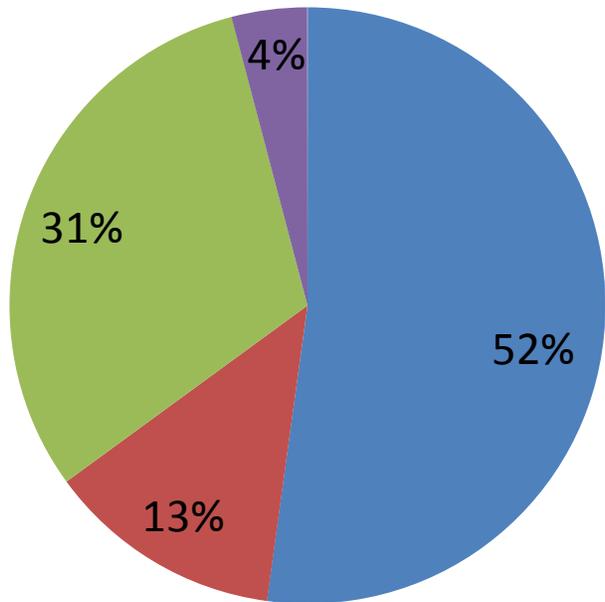
2014



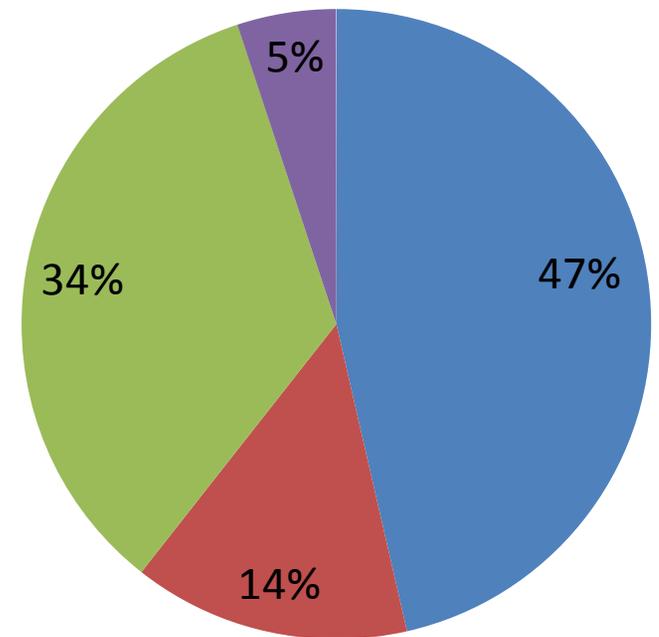
- Fixed Appropriations
- Non-Discretionary Services
- Discretionary Service Levels
- Discretionary Services

Township of Hopewell
Expense Summary
Adjusted for non-recurring items of expense

2015



2014

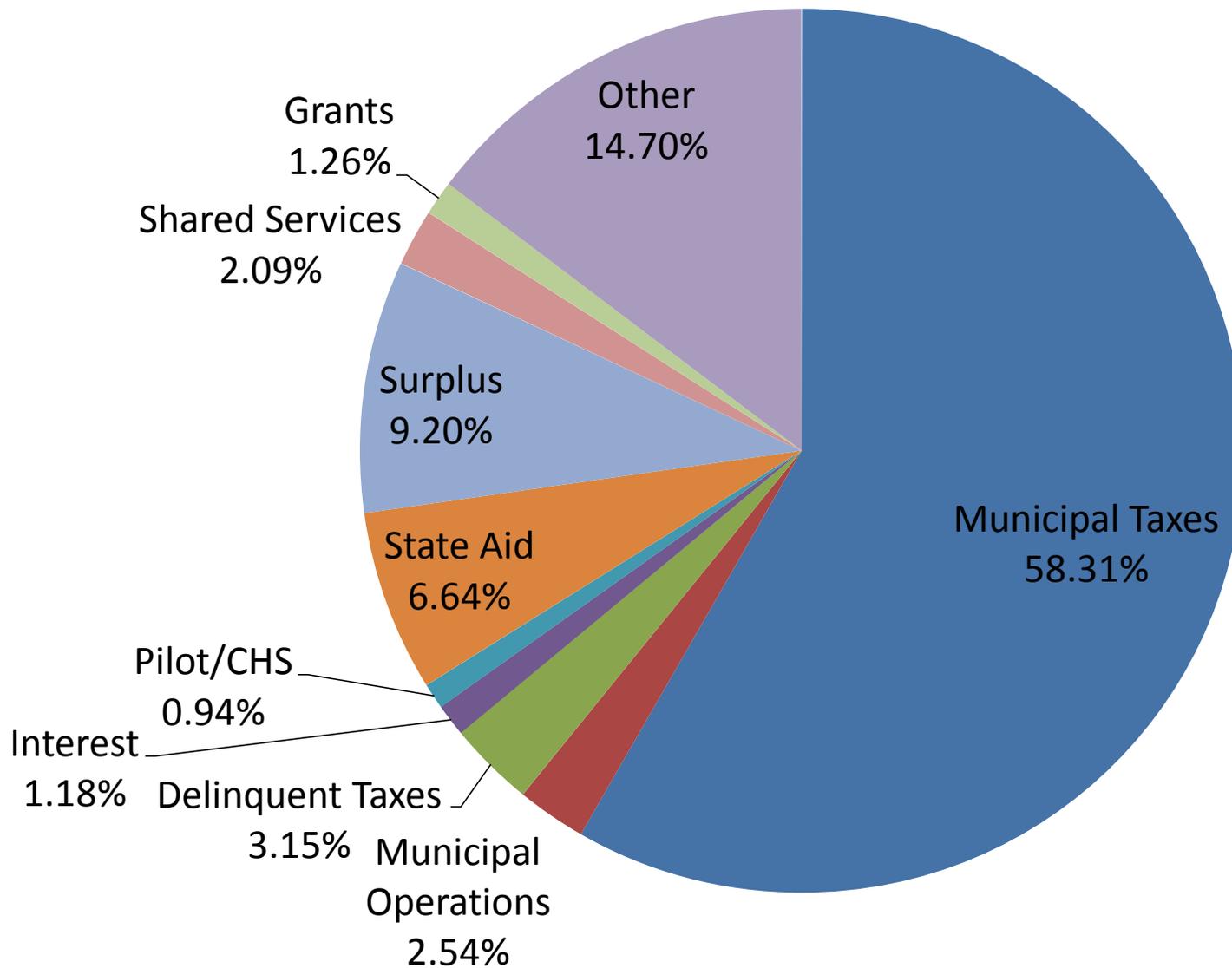


- Fixed Appropriations
- Non-Discretionary Services
- Discretionary Service Levels
- Discretionary Services

Township of Hopewell Detail of Revenues

| Description | 2012 Amount | 2013 Amount | 2013 % Increase | 2014 Amount | 2014 % Increase | 2015 Amount | 2015 % Increase |
|----------------------|--------------|--------------|-----------------|--------------|-----------------|-------------|-----------------|
| Municipal Taxes | \$12,211,510 | \$12,749,536 | 4.41% | \$13,633,685 | 6.93% | 14,353,928 | 5.28% |
| Pilot/CHS | 205,017 | 197,017 | -3.90% | 199,017 | 1.01% | 230,517 | 15.82% |
| Municipal Operations | 631,600 | 672,438 | 6.46% | 619,450 | -7.88% | 624,950 | 0.88% |
| State Aid | 1,634,157 | 1,634,157 | 0.00% | 1,634,157 | 0.00% | 1,634,157 | 0.00% |
| Surplus | 1,915,811 | 1,415,811 | -26.10% | 1,615,811 | 14.13% | 2,265,811 | 40.22% |
| Delinquent Taxes | 1,210,000 | 915,516 | -24.34% | 700,000 | -23.54% | 775,000 | 10.71% |
| Interest | 450,000 | 375,000 | -16.66% | 290,000 | -22.66% | 290,000 | 0.00% |
| Shared Services | 555,606 | 584,273 | 5.16% | 587,512 | .55% | 514,128 | -12.49% |
| Grants | 124,935 | 26,412 | -78.86% | 33,392 | 26.42% | 309,352 | 826.42% |
| Other | 1,150,702 | 2,546,038 | 121.26% | 1,650,637 | -35.17% | 3,617,598 | 119.16% |
| Total | \$20,089,338 | \$21,116,198 | 5.11% | \$20,963,661 | -0.72% | 24,615,441 | 17.42% |

2015 Budget Revenues

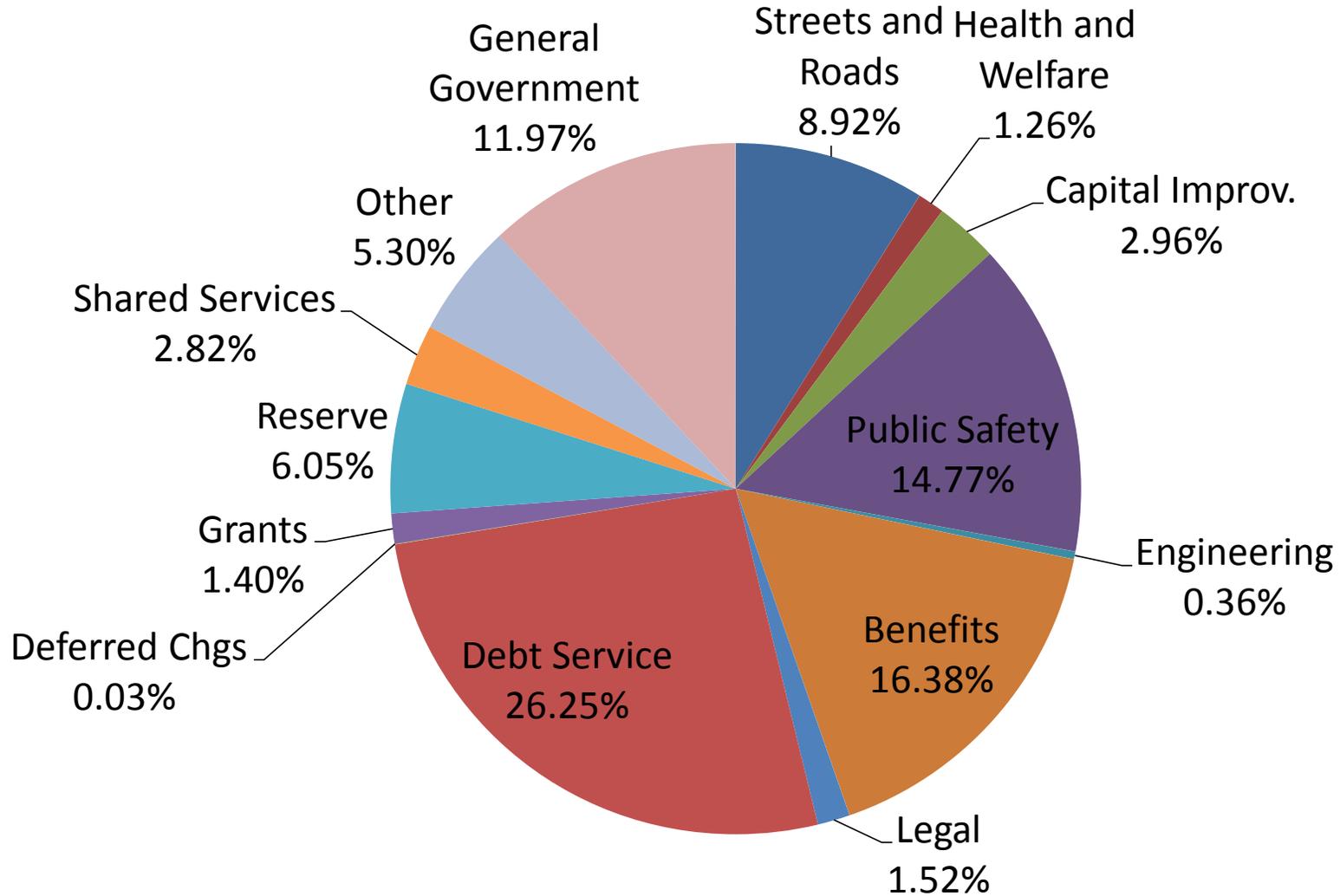


Township of Hopewell

Detail of Expenses

| Description | 2012 Amount | 2013 Amount | 2013 % Increase | 2014 Amount | 2014 % Increase | 2015 Amount | 2015 % Increase |
|--------------------|--------------|--------------|-----------------|--------------|-----------------|-------------|-----------------|
| General Government | \$2,571,007 | \$2,773,190 | 7.86% | \$2,820,917 | 1.72% | 2,946,041 | 4.44% |
| Streets & Roads | 2,045,177 | 1,976,427 | -3.36% | 2,047,624 | 3.60% | 2,196,061 | 7.25% |
| Public Safety | 3,476,303 | 3,501,873 | 0.74% | 3,424,715 | -2.20% | 3,635,760 | 6.16% |
| Health & Welfare | 368,207 | 400,533 | 8.78% | 372,152 | -7.08% | 309,751 | -16.77% |
| Benefits | 3,780,980 | 3,964,652 | 4.86% | 4,011,955 | 1.19% | 4,032,732 | 0.52% |
| Legal | 263,193 | 258,063 | -1.95% | 297,804 | 15.40% | 373,455 | 25.40% |
| Engineering | 88,500 | 99,000 | 11.86% | 88,500 | -10.61% | 88,500 | 0 |
| Debt Service | 3,167,994 | 3,582,014 | 13.07% | 3,964,596 | 10.68% | 6,461,365 | 62.98% |
| Capital Improv | 198,864 | 160,479 | -19.30% | 155,319 | -3.22% | 729,093 | 369.42% |
| Grants | 132,315 | 36,562 | -72.36% | 48,617 | 32.97% | 345,721 | 611.11% |
| Def. Chgs | 0 | 700,000 | n/a | 50,356 | -92.81% | 8,072 | -83.97% |
| Reserve | 1,349,507 | 1,401,337 | 3.84% | 1,459,458 | 4.15% | 1,489,366 | 2.05% |
| Shared Svcs | 720,639 | 749,395 | 3.99% | 752,634 | 0.43% | 695,204 | -7.63% |
| Other | 1,926,652 | 1,512,673 | -21.48% | 1,469,014 | -2.89% | 1,304,320 | -11.21% |
| Total | \$20,089,338 | \$21,116,198 | 5.11% | \$20,963,661 | -0.72% | 24,615,441 | 17.42% |

Township of Hopewell Budgeted Expenses



Township of Hopewell

Detail of Capital

Public Works Equipment

| Project | Amount | Section 20 | Down-Payment | Financed |
|--------------------------|------------|------------|--------------|------------|
| Dump Truck (2) (r) | 360,000.00 | | 18,000.00 | 342,000.00 |
| Pick-up (1) (r) | 45,000.00 | | 2,250.00 | 42,750.00 |
| Mason Dump (1) (r) | 65,000.00 | | 3,250.00 | 61,750.00 |
| Leaf Collector (1) (r) | 50,000.00 | | 2,500.00 | 47,500.00 |
| Boom Mower (1) (r) | 50,000.00 | | 2,500.00 | 47,500.00 |
| Asphalt Roller price adj | 13,000.00 | | 650.00 | 12,350.00 |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| Total | 583,000.00 | | 29,150.00 | 553,850.00 |

Other

| Project | Amount | Section 20 | Down-Payment | Financed |
|--------------------------|------------|------------|--------------|------------|
| In-Car Video System (r) | 80,000.00 | | 4,000.00 | 76,000.00 |
| Fingerprint System (r) | 25,000.00 | | 1,250.00 | 23,750.00 |
| 4-Wheel Drive (r) | 50,000.00 | | 2,500.00 | 47,500.00 |
| Server/computer/data (r) | 15,000.00 | | 750.00 | 14,250.00 |
| Heat Pump (r) | 86,000.00 | | 4,300.00 | 81,700.00 |
| Lawn Mower (r) | 9,500.00 | | 475.00 | 9,025.00 |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| Total | 265,500.00 | | 13,275.00 | 252,225.00 |

Impact of Changes in Assessment and the New Levy CAP

Impact of Assessed Value

| | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 |
|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Adopted Levy | 12,111,688 | 11,687,555 | 11,978,669 | 12,211,510 | 12,749,536 | 13,633,684 | 14,353,928 |
| Assessed Value | 4,481,777,700 | 4,341,859,988 | 4,183,452,489 | 4,057,775,200 | 4,006,497,207 | 3,988,204,768 | 3,968,475,958 |
| Adopted Rate | 27.0 cents | 26.9 cents | 28.6 cents | 30.1 cents | 31.8 cents | 34.19 cents | 36.17 cents |
| Rate holding values at 2007 Assessed Value | 26.5 cents | 25.6 cents | 26.2 cents | 26.8 cents | 27.9 cents | 29.9 cents | 31.49 cents |
| Increase in tax rate attributed to change in value since 2007 | .5 cents | 1.3 cents | 2.4 cents | 3.3 cents | 3.8 cents | 4.3 cents | 4.68 cents |

Impact of Affordable Housing

Impact of Affordable Housing on 2015 Budget

Revenues:

| Trust Cash | 206,632.68 |
|--------------|---------------------|
| Capital Cash | 428,622.50 |
| | |
| | |
| | |
| Total | \$635,255.18 |

Expenses:

| Open PO's | 10,002.68 |
|-----------------------|-----------------------|
| 2014 Operating Budget | 196,630.00 |
| Debt Service | 1,180,106.54 |
| | |
| | |
| Total | \$1,386,739.22 |

| Supported by Budget | \$751,484.04 |
|---------------------|--------------|

Budget Summary

Increasing Rate

| General Debt | 900,829 |
|---------------------|--------------|
| Affordable Debt | 372,133 |
| Salary and Wage | 162,787 |
| Operating Expense | 111,868 |
| Legal | 75,000 |
| Pension | 71,082 |
| Reserve/Uncollected | 29,909 |
| Shared Svc | 15,954 |
| Grants | 8,422 |
| SREC'S | 6,000 |
| | |
| | |
| Total | 1,753,984 |

Decreasing Rate

| Surplus | 650,000 |
|--------------------------|----------------|
| Other Expenses | 154,694 |
| Delinquent Taxes | 75,000 |
| Emergency - Sandy | 42,284 |
| CIF | 33,026 |
| Pilot | 31,500 |
| Health Benefits | 30,305 |
| Franchise Fees | 11,432 |
| Revenue from Ops. | 5,500 |
| Total | 1,033,741 |
| | |
| | |
| Tax Levy | 720,243 |