

Princeton Open Space Tax

- Current Assessment:
 - Boro – 1¢
 - Twp – 2¢
 - Adopted by referendum; does not carry to new municipality
 - Need new referendum for new municipality on November ballot for continuity
 - Can only have 1 rate for entire municipality
- JSSCC Recommended Rate – 1.7¢
 - Revenue neutral rate
 - Change in rate was included in calculation of pro-forma impact from consolidation
 - Not establishing policy; just maintaining status quo
 - Won't impact spending by itself

Effect of change to OS tax rate from current rate to average property value

	Boro	Twp	Total Raised
Current Tax	\$ 74.81	\$ 164.34	\$ 1,135,920
Proposed Tax	127.17	139.69	1,151,399
Change	52.36	(24.65)	15,479
<i>avg assessment</i>	<i>\$748,070</i>	<i>\$821,711</i>	
Municipal Tax	3,583	4,026	

Effect of change to OS tax rate – sensitivity analysis

- Impact of change of change on average property value if new OS tax rate was:

New Rate	Boro	Twp	Total Raised
\$ 0.010	\$ -	\$ (82.17)	\$ (458,626)
\$ 0.017	52.36	(24.65)	15,479
\$ 0.020	74.81	-	218,667
<i>avg assessment</i>	<i>\$748,070</i>	<i>\$821,711</i>	

Approval process

- TTF recommendation to 2 governing bodies – 6/13
- Boro/Twp introduce ordinance
- Boro/Twp hearing & adoption
- Filing with Mercer County Clerk – 8/17 deadline
- Referendum – 11/6
- Reflected in 2013 tax bills issued next July

Princeton Open Space Tax

- ‘Broad Form’ ordinance authorizes many uses:
 - Acquisition, development & maintenance of lands for recreation & conservation purposes
 - Farmland acquisition & preservation
 - Historic preservation
 - Payment of debt service incurred for authorized purposes
- Both Boro & Twp spend more on authorized uses than they collect in OS Tax

2012 Open Space Tax – Budgeted Sources/Uses

	Boro	Twp	Combined
Sources:			
Open Space Tax	\$ 218,686	\$ 923,356	\$ 1,142,042
Other sources	-	685,000	685,000
Total Sources	\$ 218,686	\$ 1,608,356	\$ 1,827,042
Uses:			
Maintenance (to Current Fund)	\$ 218,686	\$ 161,630	\$ 380,316
Acquisitions*	-	1,280,000	1,280,000
Debt Service	-	348,000	348,000
Total Uses	218,686	1,789,630	2,008,316
Change in Reserves	\$ -	\$ (181,274)	\$ (181,274)

* \$780,000 Ricciardi tract cost was repaid in part (\$680,000) by others.
 Remainig \$500,000 is placeholder for additional aquisitons.

2012 OS Budget vs all OS-related spending (excl acquisitions)

- Open Space – related spending is managed through both the OS Fund and Current (general) Fund

	Boro	Twp	Combined
Budgeted Spending - OS Fund:			
Maintenance	\$ 218,686	\$ 161,630	\$ 380,316
Debt Service	-	348,000	348,000
Total Budgeted Uses	\$ 218,686	\$ 509,630	\$ 728,316

All OS-Related Budgeted Spending (Current Fund and OS Fund):			
Maintenance	\$ 261,852	\$ 376,670	\$ 638,522
Debt Service	74,093	348,000	422,093
Total Potential Uses (excl acqs)	\$ 335,945	\$ 724,670	\$ 1,060,615

Proposed OS Tax *\$ 1,142,042*

Future OS spending

- Potential expenditures (based on 2011 update to Regional Master Plan):
 - Additional lands with potential for OS Preservation
 - 507 acres
 - \$36 million
 - *A portion of these lands could be acquired over many years; OS Fund is usually one of many sources of funds in a purchase*
 - Trails & OS Linkages
 - 20 miles of trails
 - \$3 million
 - Added cost of improvements, maintenance & stewardship
 - Historical preservation

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- JSSCC recommended 1.7¢ Open Space Tax
- Not establishing policy; just maintaining status quo
- Won't impact spending by itself
- Rate change was included in calculation of pro-forma impact from consolidation