

In March, our administration had the privilege of introducing the 2011 Municipal Budget that called for **a decrease in municipal taxes for the second consecutive year and the third consecutive year without a tax increase. Our \$12,085,000 budget plan reduces spending by \$1,020,000 over last year.** The reduction in the amount to be raised by taxation is attributable to many factors including pursuing additional shared service agreements with neighboring communities, prudent planning and no further cuts in state aid.

Pursuing shared services with other towns is strongly encouraged as a way to bring relief to New Jersey's already over-burdened tax payers. In February, the Mayor and Commissioners signed an inter-local agreement with the neighboring Borough of Audubon Park to share Tax Collector services. This new agreement will approximately **save \$60,000 in staff salaries and benefits.** Haddon Township already provides police protection to Audubon Park using a similar shared service agreement that was signed in 2009. The governing bodies of both municipalities consider these arrangements to be enormously successful and regard them as a model for sharing other services such as Municipal Clerk and Chief Financial Officer sometime during 2011.

Long term planning decisions continue to yield benefits to our residents. For example, in 2010 we voted to switch to an Accelerated Tax Sale as yet another way to reduce spending. This decision enabled us to reduce the Reserve for Uncollected Taxes significantly for the 2011 budget year. In 2011, Haddon Township will be reserving **\$250,000 compared to nearly \$600,000** in 2010. This reduced amount will be used to cover obligations that may arise due to tax appeals resulting from last year's property revaluation.

Finally State Aid, which was expected to decrease in 2011, remained flat at \$1,262,215, allowing the Township to pass along savings to our residents while maintaining many services at their current level.

As previously stated, much of our ability to reduce taxes in 2011 was the result of decisions made since we took office in May of 2007. As we come to the end of our first term, I'd like to share with you some of the more significant changes in Haddon Township's budget over the past four years.

State Aid: While receiving the same level of state aid as in 2010, Haddon Township hasn't always been so fortunate. In 2007, Haddon Township received over \$1.8 million in State Aid. However during the past four years we've seen that number **reduced by nearly \$550,000 to \$1.2 million.** Despite this decrease, we have been successful in lowering taxes.

Health Insurance: The cost of health insurance is typically one of the largest expenses facing any business and Haddon Township is no exception. However not long after we were elected, the Township switched from a convention health insurance plan to a self insured plan. As a result, the municipality only saw a 23% increase over the past four years vs. an overall 42% industry increase in health care costs.

Salary and Wages: Embracing shared service arrangements, attrition and reducing staff where appropriate, has helped the Township's bottom line by reducing spending. **Staff salaries and wages decreased \$197,000 from \$983,000 in 2007 to \$786,000 in 2011.** Most of these savings were found in the Tax and Construction Offices. Savings in Water and Sewer combined with reductions in Public Works salaries have generated over \$110,000 in savings since 2007. These savings were largely the result of reducing management positions in these departments from three supervisors to one.

Solid Waste /Recycling and Disposal Fees: Like other services, trash collection and disposal was regarded an area of opportunity to save money for the tax payers. Our efforts to "shop around" for the best price have been successful. Over the past four years our trash collection and disposal costs have decreased from \$660,000 annually to \$618,000 annually – **a savings of \$40,000.**

These past four years have been filled with challenges for us but they have been filled with many rewards as well. While everyone appreciates the efforts we've made to manage our finances---- watching the Phillies on the turf, enjoying music, food and rides at the Block Party and the lights along Haddon Ave. during the holidays are what many of you have told us you appreciated the most.

It has been a pleasure to serve as your elected officials. As always, we welcome your questions or comments. Please contact us at MayorTeague@Haddontwp.com; PDougherty@Haddontwp.com or at JFoley@Haddontwp.com.

