



2018 MUNICIPAL BUDGET SNAPSHOT

PROPOSED BUDGET SUMMARY

0% INCREASE in municipal tax rate



\$0.19 of every tax dollar funds municipal services

Summit's Tax Base—**\$25M INCREASE** in municipal tax base **\$3.133 billion**

2018 FINANCIAL PLAN **\$63.86M** **0.03%** FROM 2017

GENERAL FUND BUDGET **\$55.35M** **1.0%** FROM 2017

- Operating Budget - \$51.37M, up 2.7% from 2017
- Capital Budget - \$3.98M, down 6.6% from 2017

UTILITIES [SELF-FUNDED THROUGH FEES COLLECTED] Parking Services Budget **\$3.65M total**

- \$3.55M Operating, up 0.6% from 2017
- \$100,000 Capital, down 75.0% from 2017

Sewer Utility Budget **\$4.84M total**

- \$3.85M Operating, up 1.0% from 2017
- \$990,000 Capital, down 24.0% from 2017

2018 Municipal Goals & Key Actions

"Our municipality will continue to transform the delivery of basic city services and usher in a wave of municipal innovation to effectively manage and meet changing constituent needs."

—Michael F. Rogers, City Administrator



FISCAL RESPONSIBILITY

GOAL Demonstrate fiscal responsibility and sound financial management

KEY ACTION Maintain the city's 'AAA' credit rating and secure best and lowest debt financing rates



TECHNOLOGY APPLICATION

GOAL Expand the application of technology to create business opportunity and increase customer convenience

KEY ACTION Further apply license plate technology to facilitate consistent parking payment systems citywide, Transfer Station access, and strategic monitoring and high-volume data gathering by police department



CITY INFRASTRUCTURE

GOAL Maintain and upgrade critical city assets and infrastructure, and promote safety

KEY ACTION Begin construction of a permanent Summit Free Market building at the Transfer Station



SMART GROWTH

GOAL Increase emphasis on smart planning and redevelopment

KEY ACTION Continue efforts in developing a community-focused, citizen-driven process for Broad Street west



INNOVATION

GOAL Offer innovative solutions to ongoing municipal challenges

KEY ACTION Utilize technology to alleviate existing parking congestion and facilitate infrastructure improvements



CUSTOMER SERVICE

GOAL Retain and reinstate improved customer service and accessibility

KEY ACTION Utilize technology to improve tracking of building and construction permits online

Public Hearing on 2018 Municipal Budget
Tuesday, April 17 at 7:30pm, City Hall Council Chamber

Increase in municipal tax levy **\$242,690**

\$200,000 decrease in General Fund balance anticipated (surplus)

Approximately **\$1M** INCREASE in local revenues

2% PROPERTY TAX LEVY **\$1,044,569**
UNDER MAXIMUM TAX LEVY AMOUNT OF **\$27,501,375**

State Aid (energy tax receipts property relief tax fund) is **projected to remain stable**

Enterprise fund and contributions are down modestly by **\$58,404**

HOW CITY REVENUE IS GENERATED

REVENUE SOURCE	Y-O-Y % CHANGE	\$ IN MILLIONS	% OF TOTAL
Municipal Tax Levy	+0.9% ▲	2017: \$26.2 2018: \$26.5	51.5%
Fund Balance	-2.8% ▼	2017: \$7.1 2018: \$6.9	13.4%
School District Debt Obligation	+8.8% ▲	2017: \$4.3 2018: \$4.7	9.1%
Local Revenues	+38.3% ▲	2017: \$2.6 2018: \$3.5	6.9%
State Aid	-1.1% ▼	2017: \$3.6 2018: \$3.5	6.8%
Enterprise Funds/Contributions	-1.3% ▼	2017: \$3.3 2018: \$3.2	6.2%
Library Tax Levy	-1.6% ▼	2017: \$2.5 2018: \$2.4	4.7%
Prior Year Tax Receipts	-5.0% ▼	2017: \$0.5 2018: \$0.5	1.0%
Grants	+136.5% ▲	2017: \$0.1 2018: \$0.2	0.4%

LOCAL REVENUES

NEW REVENUE: \$795,400
 (Overlook Community Service Support Agreement)

INCREASES

\$172,000
 (Interest on Investments)
\$88,000
 (Municipal Court Fines & Costs)

DECREASE

\$30,000
 (Family Aquatic Center Fees)

ENTERPRISE FUNDS/CONTRIBUTIONS

INCREASES

\$885,000
 (General Capital Reserve for Debt Pay Down)
\$375,000
 (Municipal Asset Sale Reserve for Debt Pay Down)

DECREASES

\$140,000
 (Parking Services Utility Contribution)
\$40,000
 (Sewer Utility Contribution)



GENERAL FUND BUDGET

\$51,373,916

Municipal Operations: **\$32,076,982**
 Other Appropriations: **\$13,910,138**
 Reserve for Uncollected Taxes: **\$5,386,796**

APPROPRIATIONS CAP \$3,066,364

UNDER MAXIMUM TOTAL APPROPRIATIONS AMOUNT OF **\$35,233,346**

HOW CITY DOLLARS ARE ALLOCATED



Public Safety
\$11,086,830
21.6%



Community Services
\$7,187,110
14.0%



Pensions/S.S.
\$4,199,026
8.2%



Insurance
\$3,785,761
7.4%



General Government
\$1,489,850
2.9%



Finance
\$1,264,710
2.5%



Community Programs
\$1,156,950
2.3%



Utilities
\$1,134,500
2.2%



Board of Health
\$447,290
0.9%



Municipal Court
\$324,955
0.6%

MUNICIPAL PERSONNEL

174 full-time • 25 part-time

TOTAL Salaries & Wages **\$17,475,080**

TOTAL Benefits **\$7,279,482**

% of Benefits to Salaries/Wages **41.66%**

Average Cost Benefits/Employee **\$36,580**



MUNICIPAL OPERATIONS (Other Expenses)

\$10,392,616—20% of Total Appropriations
3.6% increase from 2017

Largest line-item categories: waste, fuel, electricity

Largest professional: Legal (general, labor, tax appeals)

Land use planning services

Largest increase: \$256,655 for shared court agreement with New Providence

OTHER APPROPRIATIONS

Healthcare Insurance

(medical/dental premiums)

\$4.09 million (gross)

Pension Obligations

\$3.56 million

Reserve for Uncollected Taxes

\$5,386,796

Debt Service Payment

\$4,494,753

2018 ESTIMATED TAX LEVIES AND RATES BREAKDOWN

TAX BASE SUMMARY POINTS:

\$3.133 Billion

Net Assessed Valuation (NAV)

\$2.581 Billion, or 82.4%
of NAV is residential properties

\$413,000

Average residential valuation assessment

42.96%

Equalized valuation

\$961,400

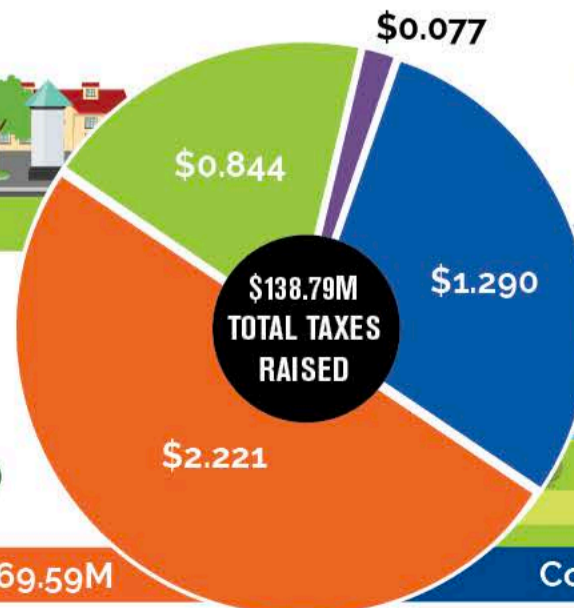
Average residential market value

\$46.2M

↑ in residential, apartment & commercial valuation

\$21.2M

↓ in industrial and vacant land valuation



[TAX RATES PER \$100 OF ASSESSED VALUATION]





2018 BUDGET SNAPSHOT
 SUMMIT CITY HALL • 512 SPRINGFIELD AVENUE
 SUMMIT, NEW JERSEY 07901-2667
 908.277.9400

PRSR STD
 U.S. POSTAGE
 PAID
 UNION NJ
 PERMIT NO. 125

ECRWSS
 POSTAL CUSTOMER
 SUMMIT, NEW JERSEY 07901



MAYOR
Nora G. Radest

• **COMMON COUNCIL** •

COUNCIL PRESIDENT
B. David Naidu (Ward 1)

WARD 1
Matthew Gould
Mike McTernan

WARD 2
Stephen E. Bowman
Marjorie Fox
Mary Ogden

COUNCIL MEMBER AT LARGE
Beth Little

CITY ADMINISTRATOR
Michael F. Rogers

CITY CLERK
Rosemary Licatese

CITY TREASURER/CFO
Marge Gerba

CHIEF COMMUNICATIONS OFFICER
Amy Cairns

Meeting schedule @
cityofsummit.org

CAPITAL PROJECTS | 2018

Total Budget – \$5.07M, down 21.7%

CAPITAL ASSET MANAGEMENT

Infrastructure
 Projects:
\$2.27M



Buildings: **\$310,000**
 City Hall: **\$25,000**
 Library: **\$50,000**

Sewer:
\$990,000



Vehicle/
 Equipment:
\$475,300

Parking
 Services:
\$100,000



ENHANCING PUBLIC SAFETY



Police
 Projects:
\$312,000

Fire
 Projects:
\$102,400



Joint Dispatch
 Center Project:
\$200,000



DEBT

Equalized Valuation
\$7,252,863,172

Total Net Debt
\$55,549,571

Net Debt to Equalized Valuation
0.766%

AS OF DECEMBER 31, 2017

**RECREATION FACILITY
 IMPROVEMENTS**

DCP Projects:
\$222,000



**Strong
 Financial Position
 AAA Credit Rating**
 from Moody's, Standard & Poor's and Fitch

Summit is the **ONLY** municipality in
 the State of New Jersey to hold the
 highest rating from all major
 credit rating agencies

Detailed budget information is
 available at cityofsummit.org/budgets

Printed copies in the Office of the City Clerk
 and at the Summit Free Public Library

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