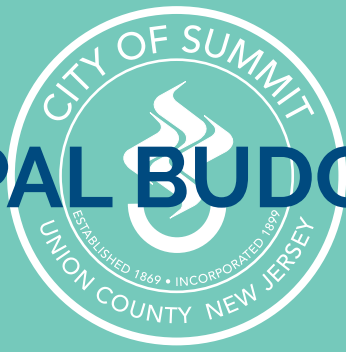


2022 MUNICIPAL BUDGET SNAPSHOT

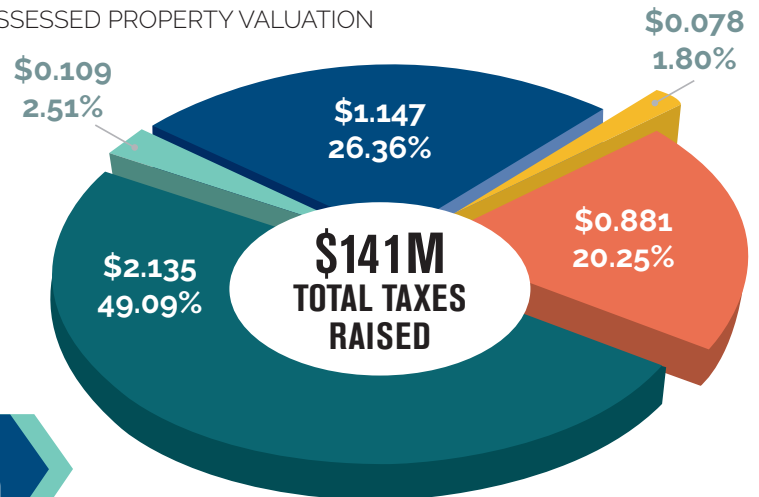


PROPOSED BUDGET SUMMARY

2022 ESTIMATED TAX LEVIES AND RATES BREAKDOWN

TAX RATES BASED ON \$100 OF ASSESSED PROPERTY VALUATION

- COUNTY & OPEN SPACE LEVIES \$37.13M
- LIBRARY LEVY \$2.53M
- MUNICIPAL LEVY \$28.52M
- SCHOOL DISTRICT LEVY \$69.13M
- SCHOOL DEBT LEVY \$3.71M



Property
Tax
Base

\$3.23 Billion
Net Assessed Valuation

- **42.03%** Equalization Ratio of 2022 Fair Market Value (\$7.60 Billion)
- **\$425,988** average residential valuation assessment (\$1.01 Million FMV)
- **54.37%** (\$28.52 Million) of Municipal Budget revenues (\$52.46 Million) generated from city's residential properties (\$2.66 Billion, or 82.35% of total property tax base)
- **\$37 Million** property tax base growth in 2021 will increase total tax revenues by \$1.59 Million (approximately \$320,000 in new municipal tax revenue)
- **\$0.01** of Municipal Tax Rate = \$323,773 in municipal tax revenue

How are property taxes computed?

Tax Rate = Tax Levy Amount divided by Tax Base Value

$$\text{2022 Municipal Tax Rate} = \$28,527,436 / \$3,237,730,137 = \$0.881$$



\$425,988
Average Home
Assessment

Tax Rates (divided by \$100)

Estimated Taxes

\$0.00881	=	\$3,752.95	Municipal
\$0.00109	=	464.33	School Debt
\$0.01112	=	9,094.84	School
\$0.01147	=	4,886.08	County & Open Space
\$0.00078	=	332.27	Library

1.98% ↑
Increase in
Municipal Tax Rate

Estimated 2022 Total Property Taxes **\$18,530.47**
(\$140.56 estimated increase)


- **\$72.41 ↑** Increase in municipal taxes for average residential value of \$425,988
- **\$0.20** of every municipal tax dollar funds municipal services

Public Hearing on 2022 Municipal Budget is Tuesday, May 3, 2022 at 7:30pm in City Hall Council Chamber










GENERAL FUND	Municipal Budget	\$52,466,658
	Capital Budget	\$2,140,000
	Subtotal	\$54,606,658
SEWER UTILITY FUND	Operations Budget	\$5,050,276
	Capital Budget	\$2,140,000
	Subtotal	\$7,190,276
PARKING SERVICES UTILITY FUND	Operations Budget	\$2,430,228
	Capital Budget	0
	Subtotal	\$2,430,228

Total Financial Budgets **\$64,227,162**



REVENUE

- Interest on investment (deposit earnings) anticipated revenue is 83% lower than 2019 realized amount of \$522,000.
- Municipal Court fees down 46% from 2019 average level of near \$500,000.
- Enterprise/Contributions \$600,000 below 2021 total due to reserve depletion.
- Parking Services Utility contribution is still \$0 (\$800,000 in 2019 and \$550,000 in 2020). Parking revenue improved in 2021, but \$1 million lower than 2019 realized amount.
- \$875,438  increase in Municipal Tax Levy.



HOW CITY REVENUE IS GENERATED

REVENUE SOURCE	Y-O-Y % CHANGE	\$ IN MILLIONS	% OF TOTAL
Municipal Tax Levy	3.17% 	2022: \$28.50 2021: \$27.60	54.37%
Fund Balance	3.95% 	2022: \$7.90 2021: \$7.60	15.06%
School District Debt Obligation	2.20% 	2022: \$3.50 2021: \$3.30	6.80%
Local Revenues	11.43% 	2022: \$3.16 2021: \$2.80	6.03%
State Aid	-3.37% 	2022: \$317 2021: \$340	6.05%
Enterprise Funds/Contributions	-16.30% 	2022: \$3.07 2021: \$3.60	5.87%
Library Tax Levy	1.81% 	2022: \$2.53 2021: \$2.49	4.84%
Prior Year Tax Receipts	-14.29% 	2022: \$0.36 2021: \$0.40	0.69%
Grants	-52.59% 	2022: \$0.15 2021: \$0.32	0.30%

LOCAL REVENUES

 INCREASES	\$125,000 Summit Family Aquatic Center fees
	\$65,000 Municipal Court fees
	\$35,000 Hotel/Motel occupancy fees
 DECREASES	\$10,682 Verizon-Cable TV franchise fees
	\$4,276 Comcast-Cable TV franchise fees
	\$3,000 Police Off Duty administration fees

ENTERPRISE FUNDS/CONTRIBUTIONS

 INCREASES	\$118,000 FEMA Reimbursement-COVID-19 pandemic costs
	\$100,000 General capital surplus
	\$55,000 Sewer Utility share of various services
 DECREASES	\$616,430 Reserve for sale of municipal assets
	\$225,495 American Rescue Plan stimulus aid
	\$46,283 Reserve for municipal debt services

APPROPRIATIONS HIGHLIGHTS | 2022

GENERAL FUND BUDGET

\$52,466,658

Municipal Service Costs: **\$40,997,822**

Other Appropriations: **\$6,469,564**
(Library/Grants/School Debt/Deferred Charges)

Reserve for Uncollected Taxes: **\$5,001,272**

MUNICIPAL PERSONNEL

177 full-time • 25 part-time

TOTAL Salaries & Wages **\$18.07 Million**

Healthcare & Pension total **\$8.20 Million**

% of benefits to Salary & Wages **45.4%**

Average cost of benefits per employee **\$40,622**

Annual employee contributions to healthcare premiums **\$1.19M**

APPROPRIATIONS

\$678,910  **TOTAL**

(from 2021)

- Municipal debt service obligations rose by \$519,776.
- Recycling curbside collection contract expired and expected 100% increase in cost of \$190,000 this year.
- Crossing guard retention and recruitment total wage increase of \$95,000.
- General liability/worker's compensation insurance premium increase of \$84,113.
- Police and Fire pension obligations rose by \$81,367.

Municipal Service Cost breakdown (includes Salary & Wages and Department Other Expenses)

Average Assessed Residential Home
\$425,988

Municipal Tax Rate
\$0.881

Municipal Service Cost
\$3,752.95



	2022 Budget	2022 Municipal Service Cost	% of Total
Public Safety	\$11,688,549	\$1,069.97	28.5%
Community Services	7,856,476	719.18	19.2%
Municipal Debt Service	5,611,572	513.69	13.7%
Pension/Social Security	4,893,420	447.95	11.9%
Insurance	3,543,167	324.34	8.6%
General Government	1,704,699	156.05	4.2%
Finance	1,241,342	113.63	3.0%
Utilities	1,191,000	109.02	2.9%
Interlocal Agreements (Joint Dispatch)	1,156,432	105.86	2.8%
Community Programs	1,144,766	104.79	2.8%
Board of Health	491,411	44.98	1.2%
Municipal Court	367,988	33.69	0.9%
Capital Improvements	107,000	9.79	0.3%
TOTALS	\$40,997,822	\$3,752.95	100.0%

CAPITAL BUDGET | 2022

\$4.28 MILLION TOTAL CAPITAL PLAN

Sewer:	\$2.14 M
Infrastructure Projects:	\$855,000
Buildings:	\$350,000
DCP Projects:	\$310,000
Fire Equipment Projects:	\$230,000
Vehicle/Equipment:	\$185,000
Police Vehicles:	\$110,000
City Hall – Storage/Shelving and AV Equipment:	\$100,000

▶ DEBT (Capital Budget Funding)

Net Debt Total

\$69.01 Million

Equalized Valuation (Three-year average)

\$7.5 Billion

Net Debt to Equalized Valuation

0.92%

Strong Financial Position

AAA Credit Rating
from all three major credit rating agencies



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2022 BUDGET SNAPSHOT
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The Summit City Administrator sets the strategic vision for our municipality. During the budget development process, department directors formulate operational goals and objectives and work with Common Council to adopt priorities to reflect that vision, and guide decision-making at all levels of city government. The goal-setting process enables Common Council to build a consensus on policies and projects that will impact the Summit community. City administration uses established goals to set priorities, direct work activities and allocate staff and financial resources.

	GOAL	KEY ACTION
FISCAL STABILITY	Ensure stable city tax rates and fees while maintaining a fiscal model that effectively balances long and short-term needs	Develop the 2022 city municipal budget with a tax rate change at or under 2.0%, and maintain the city's 'AAA' credit rating
PUBLIC SAFETY & HEALTH	Reduce criminal activity and increase ability to respond in emergency situations Maintain access for citizens to vaccinations	Purchase geo-fencing and license plate recognition technology and in-vehicle camera systems for law enforcement to more effectively safeguard community Continue Atlantic Health System vaccination site at the Community Center
COMMUNICATIONS	Reinforce messages that establish and promote City of Summit as the official source for general and emergency information for our municipality	Using website analytics, update city website to reflect information site visitors are looking for, and best practices information delivery
TECHNOLOGY APPLICATION	Utilize technology to improve efficiency of city systems, including the timeliness and accuracy of service delivery from the entire city organization	Work with city IT Manager to select and implement new equipment upgrades in Council Chamber and the Whitman Community Room to enhance virtual/in-person meeting capabilities
CITY ASSETS	Conduct routine, scheduled preventative maintenance to preserve value of city assets including city streets, parks and recreation areas, city buildings and sewer infrastructure	Complete approved capital budget projects, including various infrastructure improvements related to sewers, drainage and roads, flooding at Municipal Golf Course, and various upgrades at Tatlock and Memorial fields

Broad Street West Redevelopment will achieve three important goals:



1. Increase municipal revenue to minimize tax burden on property owners
2. Cover debt service on bond for new fire headquarters
By selling these properties to redevelopers as part of the PILOT program, the city will receive a \$8M payment and 10% of the annual gross revenue—about \$600K on average—each year for the next 30 years.
3. Provide much-needed affordable and workforce housing options



140 HOUSING UNITS

- All apartments will be rentals
- 112 units at market rate
- 21 affordable housing units
- 7 workforce housing units

Learn more about the project



or cityofsummit.org/bsw

The BSW Redevelopment Team hosted four community and dozens of stakeholder meetings. Redevelopment has been a community-driven process where residents, business owners and key stakeholders expressed preferences for design and amenities.



MAYOR
Nora G. Radest

• **COMMON COUNCIL** •
COUNCIL PRESIDENT
Marjorie Fox, Ward 2

WARD 1
Susan Hairston
Andy Minegar
Danny O'Sullivan

WARD 2
Lisa Allen
Greg Vartan

COUNCILMEMBER-AT-LARGE
Beth Little

•

CITY ADMINISTRATOR
Michael F. Rogers

CITY CLERK
Rosemary Licatese

CITY TREASURER/CFO
Tammie Baldwin

CHIEF COMMUNICATIONS OFFICER
Amy Cairns

Meeting schedule @
cityofsummit.org

Broadcast live on
Comcast Channel 36
& Verizon Channel 30

Streamed live on
City of Summit YouTube channel

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

