



2017 BUDGET SNAPSHOT
SUMMIT CITY HALL • 512 SPRINGFIELD AVENUE
SUMMIT, NEW JERSEY 07901-2667
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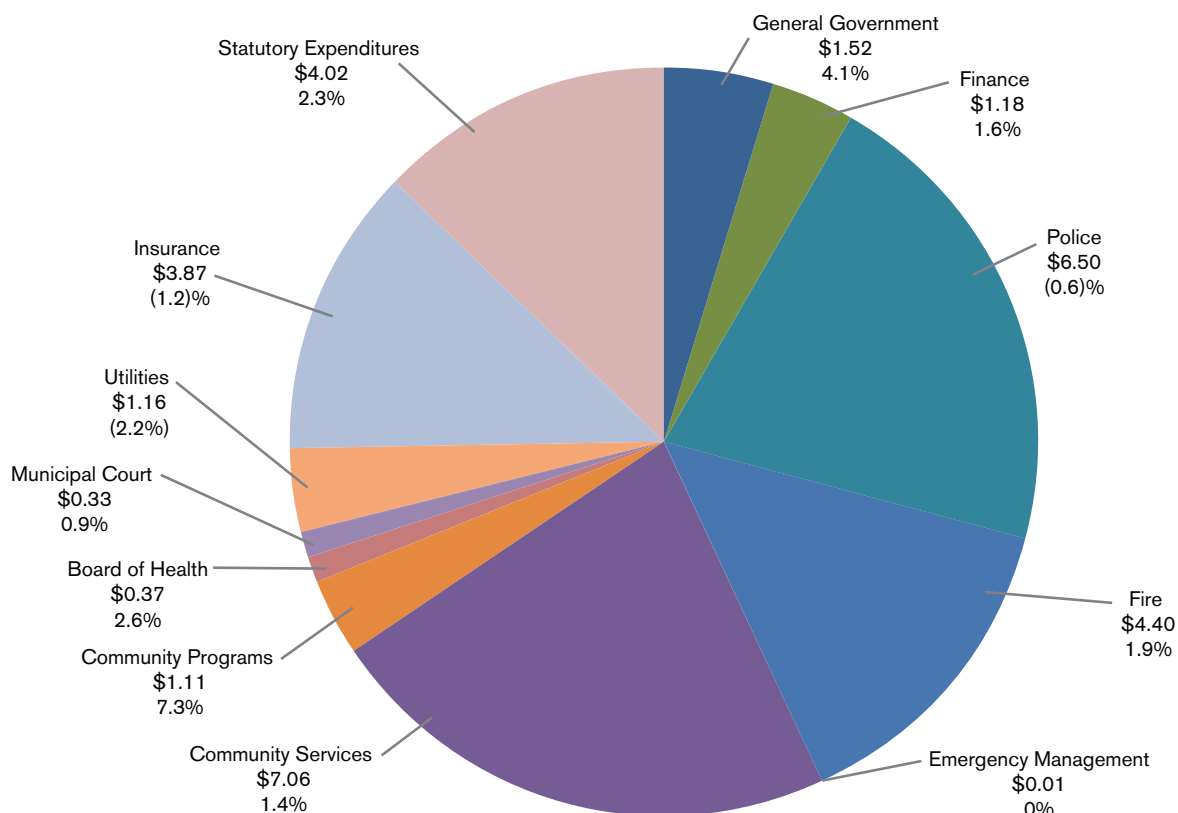
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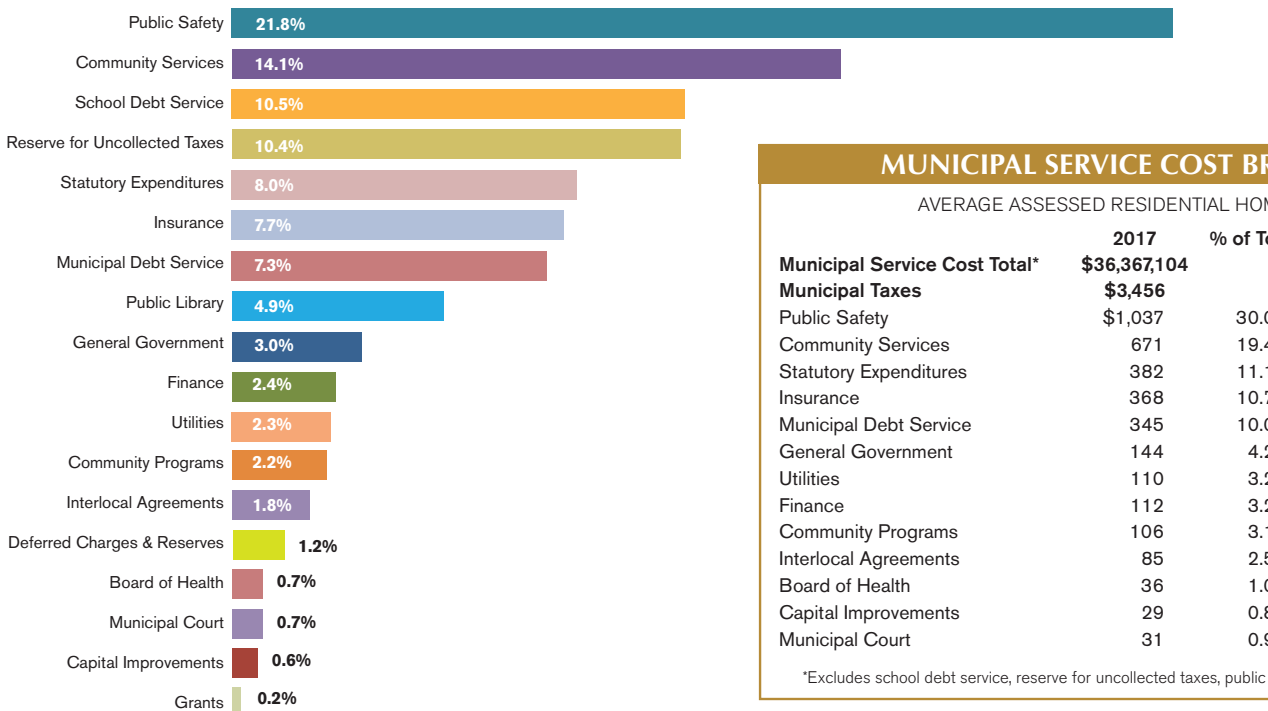
MUNICIPAL APPROPRIATIONS IN MILLIONS

Chart illustrates 2017 proposed General Fund appropriations and percentage increase (or decrease) over 2016 adopted appropriations.



2017 PROPOSED TOTAL APPROPRIATIONS Allocation of budget revenues

\$0 \$2,000,000 \$4,000,000 \$6,000,000 \$8,000,000 \$10,000,000 \$12,000,000



MUNICIPAL SERVICE COST BREAKDOWN

AVERAGE ASSESSED RESIDENTIAL HOME (\$410,000)				
	2017	% of Total	2016	% of Total
Municipal Service Cost Total*	\$36,367,104		\$35,638,297	
Municipal Taxes	\$3,456		\$3,428	
Public Safety	\$1,037	30.0%	\$1,045	30.5%
Community Services	671	19.4%	669	19.5%
Statutory Expenditures	382	11.1%	378	11.0%
Insurance	368	10.7%	377	11.0%
Municipal Debt Service	345	10.0%	310	9.1%
General Government	144	4.2%	140	4.1%
Utilities	110	3.2%	114	3.3%
Finance	112	3.2%	111	3.2%
Community Programs	106	3.1%	100	2.9%
Interlocal Agreements	85	2.5%	85	2.5%
Board of Health	36	1.0%	35	1.0%
Capital Improvements	29	0.8%	31	0.9%
Municipal Court	31	0.9%	31	0.9%

*Excludes school debt service, reserve for uncollected taxes, public library and deferred charges

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POSTAL CUSTOMER
SUMMIT, NEW JERSEY 07901

2017 BUDGET HIGHLIGHTS

Municipal Tax Rate: The municipal tax rate remains stabilized. Since 2012, on average, it has increased less than \$0.01 per year.

Credit Rating: Resolute financial management continues to secure Summit's AAA bond rating, ensuring the municipality sells its debt at the lowest possible interest cost.

Tax Collection: Our tax collection rate is \$99.61%, the highest collection rate in the past six years.

Appropriations: Total appropriations will increase by \$686,405, a 1.4% increase from 2016.

- Salary and wages – Up \$156,164
- Pension obligations – Up \$87,737
- Debt service payments – Up \$409,769
- Reserves (tax appeals and salary adjustments) – Up \$80,000

Capital Improvement Plan: The proposed 2017 Capital Improvement Plan with general fund operations and parking and sewer utility funds requires \$6.48 million to fund infrastructure, facility and equipment needs, including but not limited to:

- \$2.12 million for investment in infrastructure such as roads, sidewalks and streetscapes throughout the city.
- \$943,357 for necessary sewer infrastructure assessments and repairs to main lines in the sewer system.
- \$900,000 to fund the community center expansion/renovation project and Investors Bank Field improvements.
- \$300,000 for purchasing payment kiosks on designated streets near the Summit train station and throughout downtown.

Tax Base Impact: The city experienced a tax base net loss of 4.17MM due to a 19MM reduction in assessed valuation for an industrial property. This net loss will result in a 0.13% or \$36,042 increase in the municipal tax rate for 2017, and adds to an overall municipal tax rate increase of 0.84%.

DID YOU KNOW?

Property taxes are the main source of financing for Summit city services, public library, local school district and Union County government. Even though the City of Summit bills and collects all property taxes levied during the calendar year, it retains only \$0.19 cents of every tax dollar collected.

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Common Council meetings are broadcast live on Comcast Channel 36 and Verizon Channel 33 and rebroadcast on Thursdays and Saturdays. Check local listings for more information. Council meetings are also available on-demand at HomeTowneTV.org. View council meeting schedule, agenda, and minutes at cityofsummit.org/agendacenter

2017 BUDGET SNAPSHOT

The proposed 2017 municipal operating budget is a spending plan based on strategic goals and objectives created by City Administration.

Detailed budget information is available at cityofsummit.org/budgets or in the Office of the City Clerk and at the Summit Free Public Library.

A public hearing is scheduled for Tuesday, April 18 at 7:30pm in Common Council Chamber at City Hall.

2017 General Fund Budget Summary

- 0.84% increase in the municipal tax rate
- \$0.843/\$100 assessed valuation
- Municipal tax levy increase \$222,669

2017 Municipal Goals & Objectives

Fiscal Responsibility

GOAL: Demonstrate fiscal responsibility and sound financial management.

KEY ACTION: Create and present the 2017 operating budget with a municipal tax rate increase below \$0.01.

Technology Application

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

KEY ACTION: Utilize technology to enable members of the residential and business community to track permits online.

City Infrastructure

GOAL: Maintain and upgrade critical city assets and infrastructure.

KEY ACTION: Bid out the new community center building expansion and renovation project to begin construction in September 2017.

Smart Growth

GOAL: Increase emphasis on smart planning and development.

KEY ACTION: Prioritize development of data, studies, guidelines and policy according to Master Plan re-examination goals and recommendations.

Transparent Communication

GOAL: Build community connectedness and expand communications effort.

KEY ACTION: Reinforce messages that establish and promote the City of Summit as the official source for general and emergency information.

Innovation

GOAL: Offer creative solutions to ongoing municipal challenges.

KEY ACTION: Extend the Parking Services Agency ridesharing pilot program for residential commuters and expand to include resident employees as a way to help alleviate parking congestion.

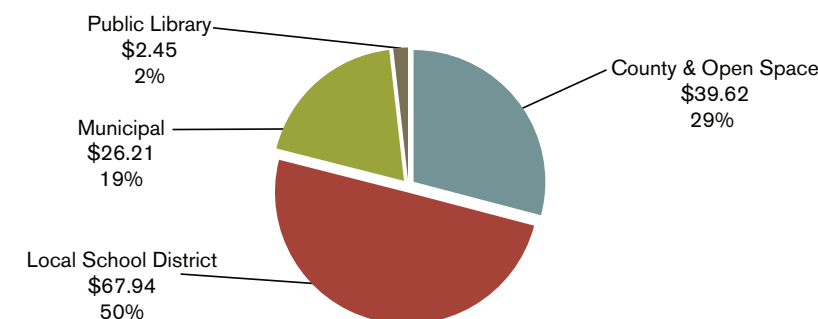
Customer Service

GOAL: Retain and reinstate improved customer service and accessibility.

KEY ACTION: Expand customer service training opportunities for city employees to enhance service delivery to the business and residential community.

SUMMIT ESTIMATED TAX BILL BREAKDOWN – \$136.1MM

The chart illustrates the percentage and amount (in millions) of the overall taxes raised for each component of the local property tax bill.



SUMMIT'S HOUSEHOLD TAX PICTURE

	2016-2017 % change	AVERAGE RESIDENTIAL TAX			TOTAL TAXES RAISED (IN MILLIONS)		
		2017*	2016	2015	2017*	2016	2015
County & Open Space	2.17%	\$5,223.40	\$5,112.70	\$4,916.00	\$39.62	\$38.84	\$37.27
Local School District	1.96%	\$8,950.40	\$8,778.10	\$8,667.00	\$67.85	\$66.61	\$65.67
Municipal	0.84%	\$3,456.30	\$3,427.60	\$3,399.00	\$26.21	\$25.99	\$25.75
Public Library	2.60%	\$323.90	\$315.70	\$308.00	\$2.45	\$2.39	\$2.33
TOTAL	1.81%	\$17,953.90	\$17,634.10	\$17,290.00	\$136.13	\$133.83	\$131.02

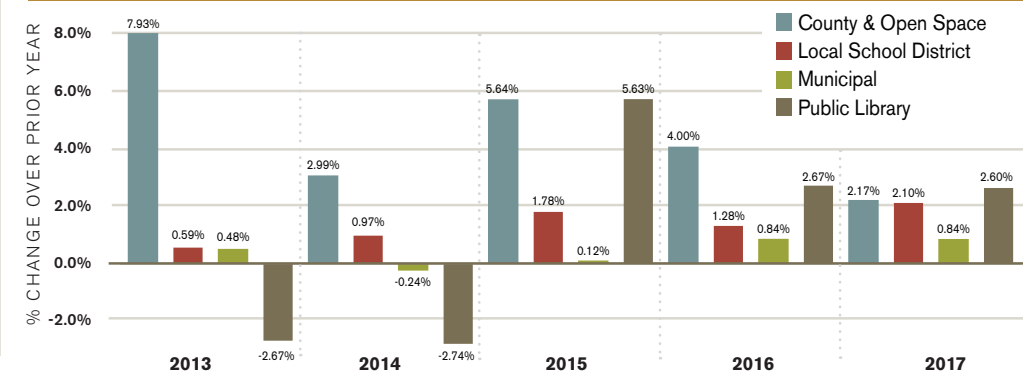
* Estimated average tax amounts. Table breaks down tax bill for homeowner with property assessed at \$410,000. Note: Equalized valuation of property, which is more closely aligned to market value, is \$948,000.

2013 – 2017 PROPERTY TAX RATES

	2017*	2016	2015	2014	2013
COUNTY & OPEN SPACE	1.274	1.247	1.199	1.135	1.102
LOCAL SCHOOL DISTRICT	2.183	2.141	2.114	2.077	2.057
MUNICIPAL	0.843	0.836	0.829	0.828	0.830
PUBLIC LIBRARY	0.079	0.077	0.075	0.071	0.073
TOTAL	4.379	4.301	4.217	4.111	4.062

*2017 – Estimated Tax Rate per \$100 of assessed valuation

CHANGE IN HOUSEHOLD TAX RATE





2017 BUDGET SNAPSHOT

REVENUES

	ANTICIPATED 2017	ANTICIPATED 2016	REALIZED 2016 (AS OF 12/31/16)	2016-2017 BUDGET CHANGE	REALIZED 2015
General Revenues					
Fund Balance (Surplus)	\$7,100,000	\$7,100,000	\$7,100,000	0.00%	\$7,600,000
Local Revenues	2,562,500	2,556,500	2,566,821	0.23%	2,594,002
State Aid	3,551,257	3,568,257	3,568,257	-0.48%	3,575,789
Interlocal Agreements	0	0	0	0.00%	41,000
Grants	81,959	202,361	622,015	-59.50%	239,681
Enterprise Funds/ Contributions	3,259,612	2,788,384	2,798,079	16.90%	2,210,710
Prior Year Tax Receipts	500,000	475,000	485,515	5.26%	485,515
General Revenues Sub-Total	\$17,055,328	\$16,690,502	\$17,140,687	2.19%	\$16,746,697
Tax Levy Revenues					
Municipal Tax Levy	\$26,214,106	\$25,991,437	\$25,755,777	0.86%	\$25,754,936
Local School District Debt Obligation to City	4,287,129	4,244,133	4,449,262	1.01%	4,449,262
Library Tax Levy	2,450,334	2,394,420	2,394,420	2.34%	2,328,031
Tax Levy Sub-Total	\$32,951,569	\$32,629,990	\$32,599,459	0.99%	\$32,532,229
Total Revenues	\$50,006,897	\$49,320,492	\$49,740,146	1.39%	\$49,278,927

UTILITY FUNDS

	ANTICIPATED 2017	ANTICIPATED 2016	REALIZED 2016 (AS OF 12/31/16)	2016-2017 BUDGET CHANGE	REALIZED 2015
User Fees Collected					
Parking Utility - Fees	\$3,209,500	\$3,033,079	\$3,338,400	5.82%	\$3,092,981
Parking Utility - Surplus used & Misc receipts	314,148	118,643	-132,758	164.78%	526,000
Sewer Utility - Fees	3,196,351	3,119,778	3,200,608	2.45%	3,047,140
Sewer Utility - Surplus used & Misc receipts	630,000	355,700	355,700	77.12%	325,000
Total User Fees and Receipts	\$7,349,999	\$6,627,200	\$6,761,950	10.91%	\$6,991,121
Expenditures					
Parking Utility - Salaries and Wages	\$671,269	\$714,000	\$632,688	-5.98%	\$603,075
Parking Utility - Other Expenses	2,852,379	2,437,722	2,335,775	17.01%	2,416,009
Sewer Utility - Salaries and Wages	418,000	402,000	398,393	3.98%	337,138
Sewer Utility - Other Expenses	3,408,351	3,073,478	3,036,978	10.90%	2,883,818
Total Expenses	\$7,349,999	\$6,627,200	\$6,403,834	10.91%	\$6,240,040

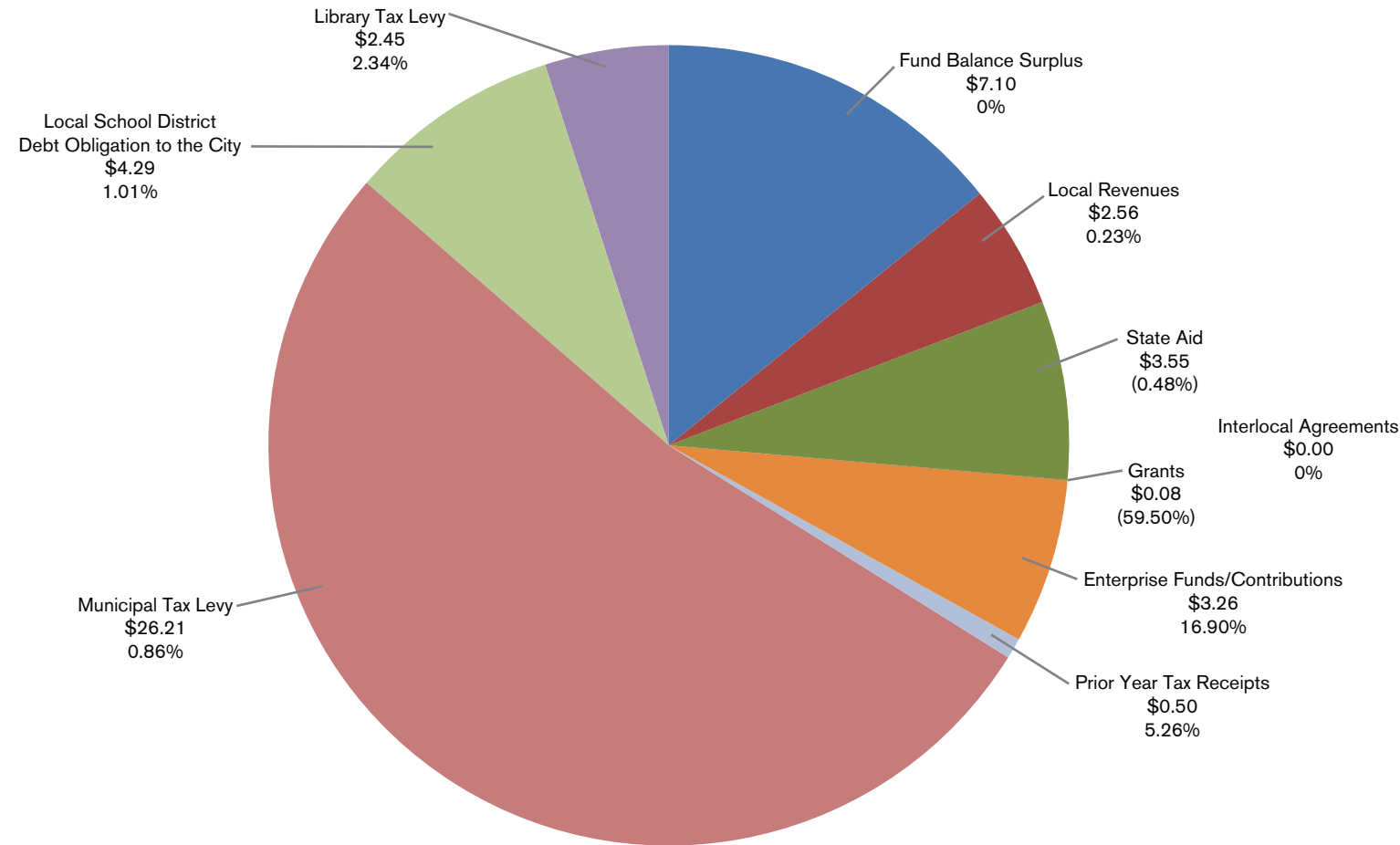


FINANCIAL SUMMARY TOTALS

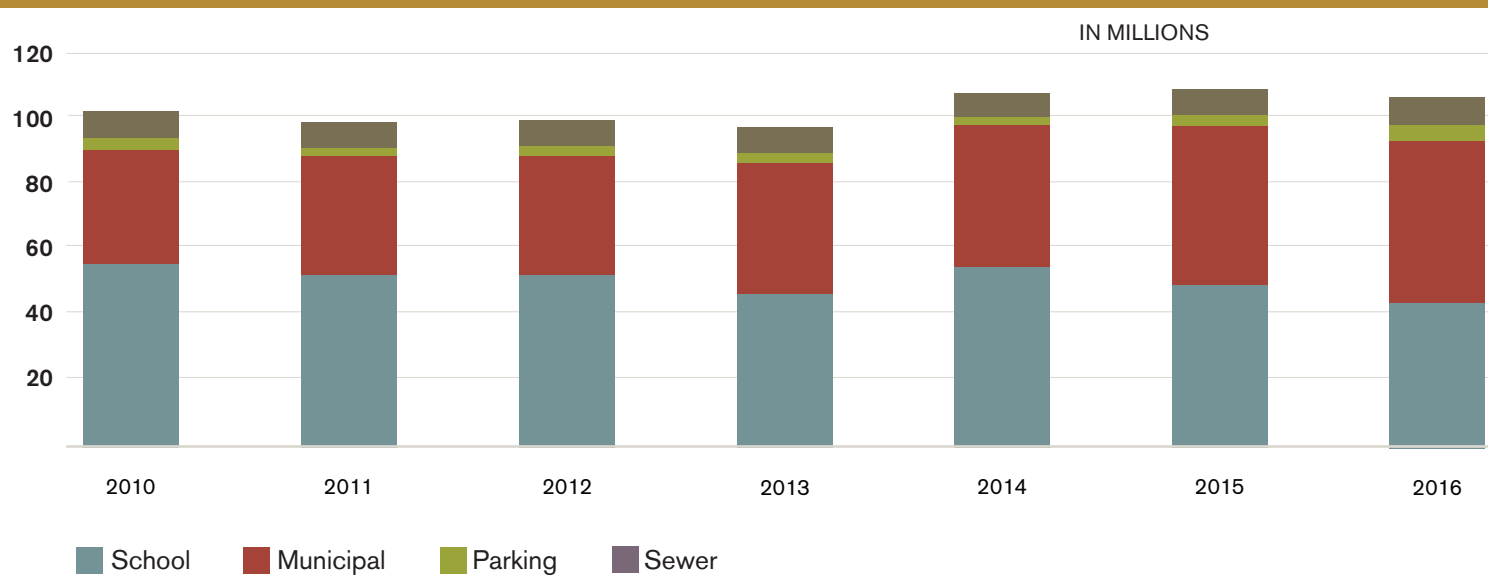
	2017	2016 (Adopted)	VARIANCE
GENERAL FUND			
Municipal Budget	\$50,006,897	\$49,320,492	1.40%
Capital Budget	4,785,546	5,904,800	-18.90%
Sub-total	\$54,792,443	\$55,225,292	-0.80%
SEWER UTILITY FUND			
Operations Budget	\$3,826,351	\$3,475,478	10.10%
Capital Budget	1,303,357	500,000	160.60%
Sub-total	\$5,129,708	\$3,975,478	29.00%
PARKING SERVICES UTILITY FUND			
Operations Budget	\$3,523,648	\$3,151,722	11.80%
Capital Budget	400,000	1,900,000	-78.90%
Sub-total	\$3,923,648	\$5,051,722	-22.30%
Financial Budget Totals	\$63,845,799	\$64,252,492	-0.63%

MUNICIPAL REVENUE IN MILLIONS

Chart depicts 2017 projected General Fund revenues and percentage increase (or decrease) over 2016 amounts.



ISSUED DEBT FOR SCHOOL, MUNICIPAL, PARKING AND SEWER UTILITIES



APPROPRIATIONS

		PROPOSED 2017	APPROPRIATED 2016	EXPENDED 2016 (AS OF 12/31/16)	2016-17 % CHANGE	APPROPRIATED 2015
Municipal Operations (within "CAPS")						
General Government	Salaries and Wages	\$669,750	\$649,268	\$620,348	3.2%	\$699,310
	Other Expenses	848,700	809,150	713,831	4.9%	932,653
Finance	Salaries and Wages	681,900	668,700	653,543	2.0%	650,500
	Other Expenses	493,300	488,100	433,639	1.1%	205,050
Police	Salaries and Wages	6,152,300	6,207,300	6,157,302	-0.9%	6,039,600
	Other Expenses	348,810	331,500	368,171	5.2%	430,000
Fire	Salaries and Wages	3,833,400	3,779,000	3,714,375	1.4%	3,852,801
	Other Expenses	562,810	534,500	493,643	5.3%	540,500
Emergency Management	Other Expenses	13,500	13,500	6,658	0.0%	17,500
Community Services	Salaries and Wages	4,721,900	4,671,500	4,530,862	1.1%	4,483,585
	Other Expenses	2,336,300	2,287,000	1,989,720	2.2%	2,319,350
Community Programs	Salaries and Wages	875,600	809,918	807,000	8.1%	755,500
	Other Expenses	238,900	228,900	222,990	4.4%	208,900
Board of Health	Salaries and Wages	235,000	231,000	226,996	1.7%	229,100
	Other Expenses	138,595	133,078	127,907	4.1%	129,590
Municipal Court	Salaries and Wages	307,000	304,000	301,537	1.0%	370,000
	Other Expenses	19,800	19,800	14,400	0.0%	19,800
Utilities		1,161,500	1,187,500	999,591	-2.2%	1,221,890
Insurance		3,874,000	3,920,000	3,920,000	-1.2%	3,940,300
Statutory Expenditures		4,022,302	3,933,065	3,871,076	2.3%	3,706,325
Municipal Operations Sub-Total		\$31,535,367	\$31,206,779	\$30,173,589	1.1%	\$30,752,254

Other Appropriations (excluded from "CAPS")

Maintenance of Free Public Library	\$2,450,333	\$2,394,420	\$2,314,310	2.3%	\$2,328,031
Grants	81,959	202,361	622,015	-59.5%	52,350
Interlocal Agreements	895,400	879,950	879,941	1.8%	589,882
Capital Improvements	300,000	325,000	325,000	-7.7%	325,000
Municipal Debt Service	3,636,337	3,226,568	3,226,568	12.7%	3,067,194
School Debt Service	5,265,129	5,456,133	5,456,133	-3.5%	5,350,794
Deferred Charges & Reserves	625,000	445,000	350,000	40.4%	337,000
Other Appropriations Sub-Total	\$13,254,158	\$12,929,432	\$13,173,967	2.5%	\$12,050,251
Reserve for Uncollected Taxes	\$5,217,372	\$5,184,281	\$5,184,281	0.6%	\$6,300,000

Total Appropriations	\$50,006,897	\$49,320,492	\$48,531,837	1.4%	\$49,102,505
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CITY PERSONNEL

	2017	2016	2015	2014
FULL TIME (FT)	177	175	179	181
PART TIME (PT)	25	25	29	31
TOTAL	202	200	208	212

In 2016, the city staff increased by two (2) full-time employees with a net total 202 permanent positions (177 full-time and 25 part-time).

One new full-time police officer was hired and a part-time Department of Community Programs employee was made full-time.

Of the 202 total city employees, 10 full-time and 9 part-time positions are located in the parking services and sewer utilities with budgets funded by user fees.