



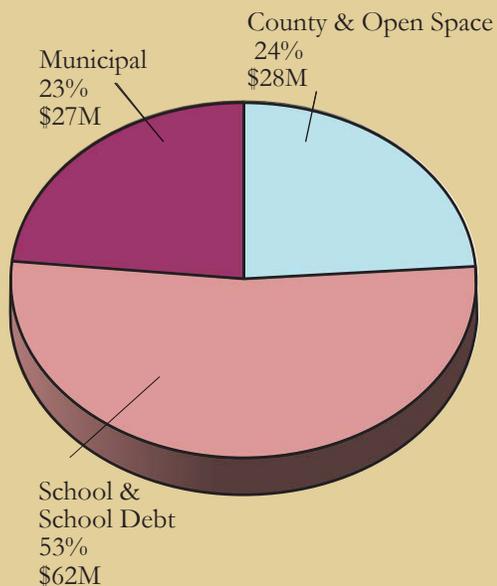
MUNICIPAL BUDGET SNAPSHOT

Connecting with the Community. . .Public Dialogue

BUDGET SNAPSHOT

The Municipal Budget Snapshot is a summary of the proposed 2010 operating budget for the City of Summit. The financial information presented here is summarized and does not substitute for the City's Annual Budget which is available for inspection in the office of the City Clerk, Public Library, or on the City website at www.cityofsummit.org. A public hearing on the municipal budget is scheduled for Tuesday, June 15th at 7:30 pm in the Common Council Chambers of City Hall.

Summit Tax Breakdown



Summit's Household Tax Picture

This chart includes all of the parts of the tax bill for a homeowner whose property is assessed at \$410,000. The equalized valuation of this property, which is more closely aligned to the market value, is about \$949,000.

	Proposed 2010 Tax Rate Per \$100	2010 Proposed Taxes	Actual 2009 Tax Rate Per \$100	2009 Actual Tax	Actual 2008 Tax Rate Per \$100	2008 Actual Taxes
County	0.855	\$3,506	0.802	\$3,288	0.755	\$3,096
County Open Space	0.034	\$139	0.036	\$148	0.035	\$144
School	1.863	\$7,638	1.784	\$7,314	1.704	\$6,986
School Debt Service	0.109	\$447	0.110	\$451	0.109	\$447
Municipal	0.877	\$3,600	0.857	\$3,514	0.832	\$3,411
TOTAL	3.738	\$15,330	3.589	\$14,715	3.435	\$14,084

SIGNIFICANT BUDGET IMPACTS

- Debt service supports \$76 million of AAA rated bonds of which \$50 million supports school improvements.
- Curbside recycling will be increased to weekly beginning July 1 at a reduced cost resulting from a new contract with the vendor.
- Municipal state aid was reduced by \$721,000.
- Municipal employees will be making increased contributions toward health care premium costs.
- Youth services will be provided at a reduced cost through partnership with the YMCA.
- Funding is included for legal action underway to fully recover monies from third party payroll fraud.
- Labor agreements with certain employee groups have been renegotiated to achieve current year and future savings.
- Two vacancies in the police department are unfilled, budgeted overtime is reduced and fewer replacement patrol vehicles will be purchased.
- Fire department expenses have been reduced in the training, overtime, and uniform allowance by agreement.
- Savings achieved in the Department of Community Services through reorganization of Garbage and Trash unit, an unfilled vacancy in Public Works, decreasing street sweeping and dial-a-truck services and reduction in city engineer and city planner contract hours.

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GOALS FOR 2010

The City's operating budget is based on annual goals set by Common Council. The goals are:

Fiscal Responsibility

- Evaluate budget savings vs. service reductions
- Expand shared services and public/private partnerships
- Seek rollback of unfunded state mandates
- Communicate budget to community in simplified format

Downtown

- Consider recommendations from the Visioning and the Downtown Review Task Forces to revitalize & redevelop downtown
- Implement parking improvements from parking study

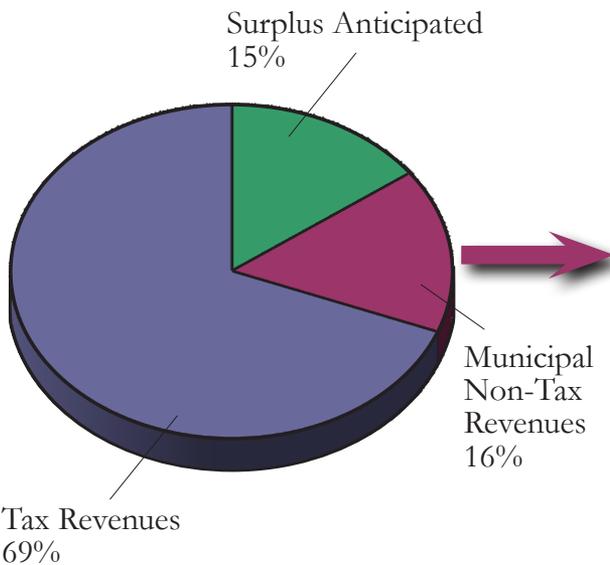
Safety

- Consider implementation of a regional Shared Dispatch Center
- Pedestrian safety
- Investigate expansion of shared Fire Protection Services

Infrastructure

- Create an Infrastructure Improvement Master Plan
- Continue investment in existing infrastructure and critical assets such as roads, storm water and sanitary sewer systems

Municipal Revenue Sources



Municipal Non-Tax Revenues	2010	2009
Municipal Court	\$675,600	\$675,661
Enterprise Funds Contribution to City General Fund ¹	\$1,122,593	\$1,072,897
Fees:		
Fees ²	\$613,146	\$614,568
Franchise Income	\$258,000	\$98,681
Fees Total:	\$871,146	\$713,249
Grants and Interlocal Agreements		
Grants	\$62,793	\$57,716
Township of Millburn - Shared Dispatch	\$167,331	\$167,331
Grants and Interlocal Agreement Totals:	\$230,124	\$225,046
Interest on Investments and Deposits	\$92,000	\$92,266
Licences:	\$102,200	\$102,229
Recreation:	\$628,800	\$629,004
Reserves	\$61,328	\$57,113
State - Energy Receipts & School Debt Aid	\$3,601,647	\$4,104,062
Interest and Costs on Taxes	\$245,000	\$245,004
Grand Total Revenues	\$7,630,438	\$7,916,532

¹ Enterprises Fund include contributions from the Parking Utility to the City General Fund for Share of Debt Service, Share of City Services, and Parking Utility Surplus. Pension from the UCC and Sewer Utility and the debt service payment from SDI are also included.

² Fees include services fees for DCS, Health, Library, Zoning Board, Police Off-Duty and Bryant Park Emergency Services Fees, Transfer Station Revenue, Summit Housing P.I.L.O.T., Hotel and Motel Occupancy Fee, Old Town Hall Rent, and Uniform Fire Safety Act.

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Municipal Expenditures

	Salaries and Benefits		Other Expenses	
	Budget 2010	Actual 2009	Budget 2010	Actual 2009
Administration	\$1,094,600	\$1,043,504	\$544,175	\$514,587
Legal Services	\$35,000	\$84,204	\$483,500	\$437,701
Court	\$376,400	\$380,322	\$21,525	\$18,356
Department of Community Services (DCS)	\$1,931,500	\$1,872,515	\$801,554	\$838,511
DCS - Parks & Shade Tree	\$1,174,500	\$1,120,817	\$266,700	\$256,424
DCS - Garbage and Trash	\$602,900	\$709,367	\$18,500	\$39,198
DCS - Recycling	\$80,700	\$115,758	\$250,900	\$231,486
DCS - Transfer Station	\$326,800	\$307,968	\$100,150	\$80,120
Police	\$5,982,600	\$5,744,844	\$374,250	\$398,113
Police - Pension	\$1,103,713	\$1,105,028		
Fire	\$3,621,500	\$3,401,636	\$197,100	\$229,841
Fire - Pension	\$770,987	\$736,685		
Millburn Dispatching	\$167,331	\$167,331		
Health	\$222,100	\$216,934	\$189,090	\$172,346
Community Programs	\$632,100	\$591,188	\$200,085	\$228,351
Library	\$1,435,427	\$1,401,220	\$999,093	\$1,032,198
Pension - Public Employees	\$884,100	\$704,471		
Social Security	\$707,000	\$698,828		
Employee Group Health	\$2,227,800	\$1,969,400		
General Liability Insurance			\$419,400	\$430,300
Workers Compensation & NJ PEOSHA			\$559,800	\$525,300
Utilities ¹			\$1,410,100	\$1,201,173
Fire Hydrant Service			\$260,000	\$234,475
Disposal Fees			\$1,017,325	\$799,804
Capital Improvement Fund & Contingent			\$26,500	\$375,000
Grants			\$65,643	\$57,715
Municipal Debt Services & Deferred Charges			\$4,290,519	\$4,146,927
Subtotal Salaries	\$23,377,058	\$22,372,020		
Subtotal Other Expenses	\$12,495,909	\$12,247,926	\$12,495,909	\$12,247,926
Combined Total Salaries and Other Expenses	\$35,872,966	\$34,619,946		
Plus: School Debt Service Total	\$3,977,276	\$3,825,775		
One-year Reserves ²		\$1,406,857		
Municipal Appropriations	\$39,850,242	\$39,852,578		
Plus: Reserve for Uncollected Taxes	\$6,083,269	\$5,938,212		
Less: One-year Reserves ³		(\$1,406,857)		
Grand Total, Operating Budget	\$45,933,511	\$44,383,933		

¹ Utilities include gas, electric, street lighting, telephone, and vehicle fuels.

² Unexpended amounts are reserved for one year.

³ Unexpended appropriations are not included in Grand Total, Operating Budget.



Connecting with the Community

SUMMIT CITY HALL
512 SPRINGFIELD AVENUE
SUMMIT, NEW JERSEY 07901-2667

PRSR STD
U.S. POSTAGE
PAID
WHIPPANY, NJ
PERMIT NO. 376

CARRIER PRESORT POSTAL CUSTOMER SUMMIT, NEW JERSEY 07901

MAYOR

Jordan Glatt

COMMON COUNCIL

COUNCIL PRESIDENT

Dave A. Bomgaars

WARD I

Ellen K. Dickson

Thomas Getzendanner

Nuris Portuondo

WARD II

Dave A. Bomgaars

Richard J. Madden

Michael J. Vernotico

COUNCILMAN AT LARGE

Steven P. Murphy

CITY ADMINISTRATOR

Christopher J. Cotter

OPEN LINE EDITOR

Rita M. McNany

ACTING CFO

Scott Olsen

Change In Cash Balance*

	Projected 2010	Actual 2009	Actual 2008
Cash Balance - Beginning January 1st¹	\$15,420,096	\$14,565,618	\$14,311,862
Increased by:			
Tax Collector Receipts	115,521,016 ²	112,811,944	108,049,245
Non-Tax Municipal Revenues:	7,630,438	7,916,532	8,977,012
Other Sources ³	4,164,999	4,574,534	4,355,793
	<u>\$142,736,550</u>	<u>\$139,868,628</u>	<u>\$135,693,912</u>
Decreased by:			
Municipal Appropriations	39,850,242	39,852,578	39,286,984
School Taxes	58,227,580	56,114,187	53,530,690
County Taxes (including added Tax Amounts)	27,800,300	26,396,139	24,885,789
Special District Taxes	168,800	153,000	153,000
Other Expenditures	2,746,000	1,932,629	3,271,833
Total Cash Expenditures	<u>128,792,922</u>	<u>124,448,532</u>	<u>121,128,295</u>
Cash Balance - December 31st	<u>\$13,943,626</u>	<u>\$15,420,095</u>	<u>\$14,565,617</u>

Analysis of Cash at December 31st

Adjusted Cash Liabilities	\$6,172,794	\$6,718,794	\$5,439,120
Surplus	<u>\$7,770,832</u>	<u>\$8,701,301</u>	<u>\$9,126,497</u>
	<u>\$13,943,626</u>	<u>\$15,420,095</u>	<u>\$14,565,617</u>

Analysis of Surplus

Surplus Beginning Balance	\$8,701,301	\$9,126,497	\$8,828,833
Less: Utilized in Budget	<u>(\$6,800,000)</u>	<u>(\$6,800,000)</u>	<u>(\$6,800,000)</u>
“Free Balance”	\$1,901,301	\$2,326,497	\$2,028,833
Restored from Operations	<u>\$5,869,532</u>	<u>\$6,37,804</u>	<u>\$7,097,664</u>
Surplus Ending Balance	<u>\$7,770,832</u>	<u>\$8,701,301</u>	<u>\$9,126,497</u>

* Does not include Parking and Sewer Utilities.

¹ Results per audit dated December 31, 2008; per Annual Financial Statement (Unaudited) dated December 31, 2009; Projected for 2010.

² The projected 2010 receipts reflect anticipated tax appeals and delinquent payments.

³ Includes grants, unexpended balance of reserves, cancellations, and other adjustments.