



CITYWIDE BUDGET SNAPSHOT

BUDGET SNAPSHOT

This Citywide Budget Snapshot provides Summit taxpayers with a summary of the proposed 2014 municipal operating budget and information on school and county taxes. The municipal budget is a spending plan based on the goals established by the Mayor and Common Council. Detailed information is available for review in the office of the City Clerk, at the Public Library, and on the City's website: www.cityofsummit.org. A public hearing on the budget is scheduled for Tuesday, May 6, 2014 at 7:30 pm in City Hall Council Chambers.

2014 BUDGET TRENDS

- Municipal taxes are down 0.4%
- School and School Debt taxes will increase 0.5%
- County and Open Space taxes will increase an estimated 3.1%, a rate that continues to exceed the 2% Cap

2014 SUMMARY OF COUNCIL GOALS

Fiscal Responsibility

- Tax increase for Municipality and Board of Education that does not exceed 2013 level.
- Work with County Freeholders to honor 2% levy cap.
- Present two shared service / alternative funding proposals for Council consideration.

Safety

- Reduce pedestrian accidents below number experienced in 2013.
- Installation of one lighted crosswalk system in the downtown, as a trial.
- Establish Joint Dispatch Center and implement recommendations from communications plan.
- Authorize feasibility study for new Fire Headquarters.

Downtown

- Evaluate recommendations from Downtown Planning Study.
- Develop standardized parking systems.

Technology

- Select long-term technology services provider.

Infrastructure

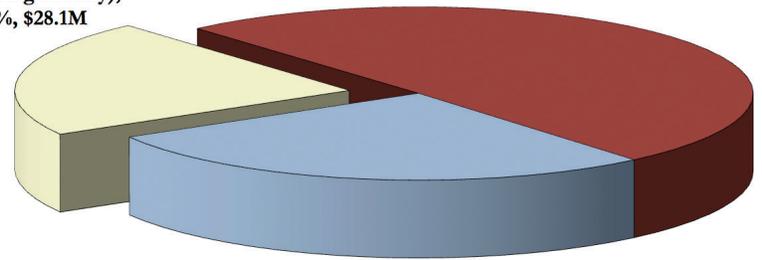
- Determine scope of Community Center renovation project.
- Develop plans for facilities improvements at Memorial and Tatlock fields.
- Establish plan for reorganization of Municipal disposal area.
- Maintain existing level of capital investment in roadway, facilities, and storm/wastewater improvements.

SUMMIT TAX BILL BREAKDOWN - \$128.3M

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

Municipal (including Library), 22%, \$28.1M

School & School Debt, 50%, \$64.7M



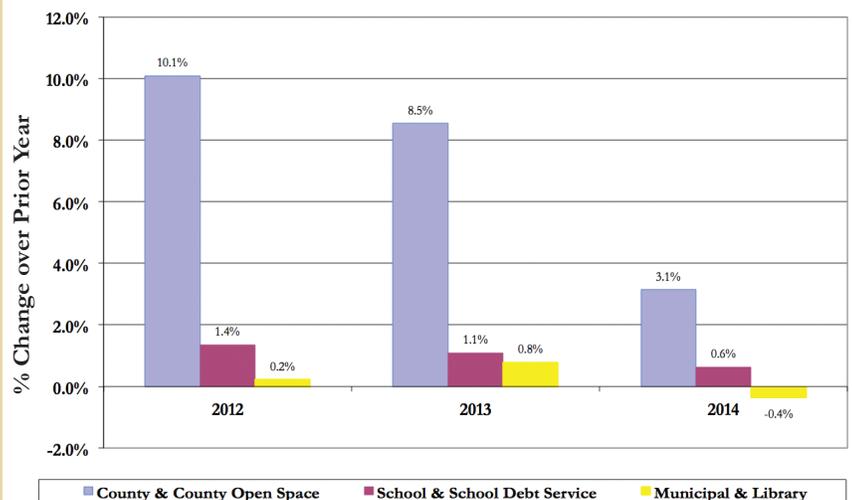
County & Open Space, 28%, \$35.5M*

SUMMIT'S HOUSEHOLD TAX PICTURE

	Average Residential Tax (In \$)				Total Taxes Raised (in \$Millions)		
	2013-2014 % change	2014	2013	2012	2014	2013	2012
County & Open Space	3.1% ↑	\$4,601	\$4,463	\$4,135	\$35.5	\$34.5	\$31.7
School & School Debt	0.5% ↑	8,375	8,331	8,282	64.7	64.3	63.6
Municipal (including Library)	-0.4% ↓	3,641	3,657	3,649	28.1	28.2	28.0
TOTAL	1.0%	\$16,616	\$16,451	\$16,066	\$128.3	\$127.0	\$123.3

This table includes all of the parts of the tax bill for a homeowner whose whole property is assessed at \$405,000. The equalized valuation of this property, which is more closely aligned to the market value, is about \$874,000. *Estimate based upon the latest county figures, without equalization.

CHANGE IN COUNTY, SCHOOL AND CITY TAXES



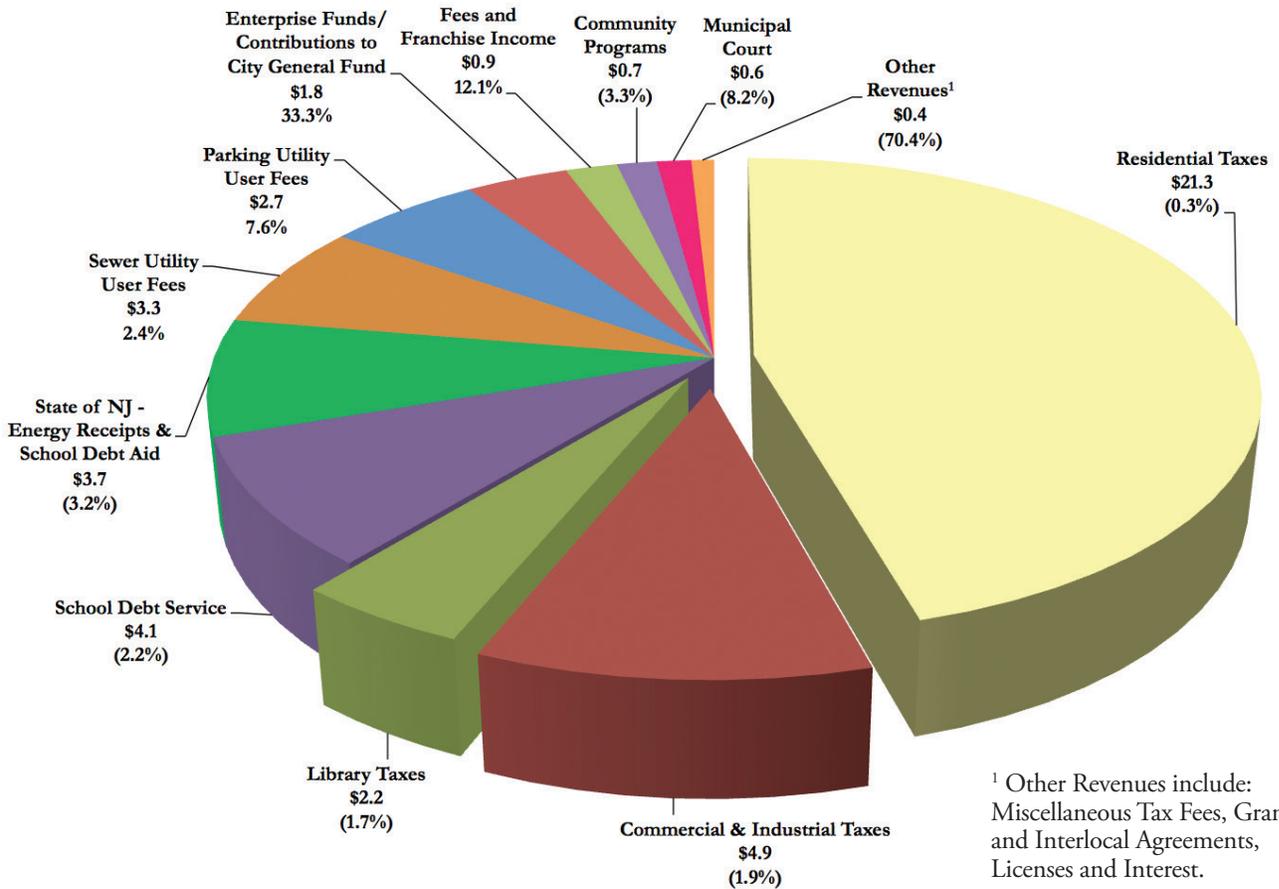
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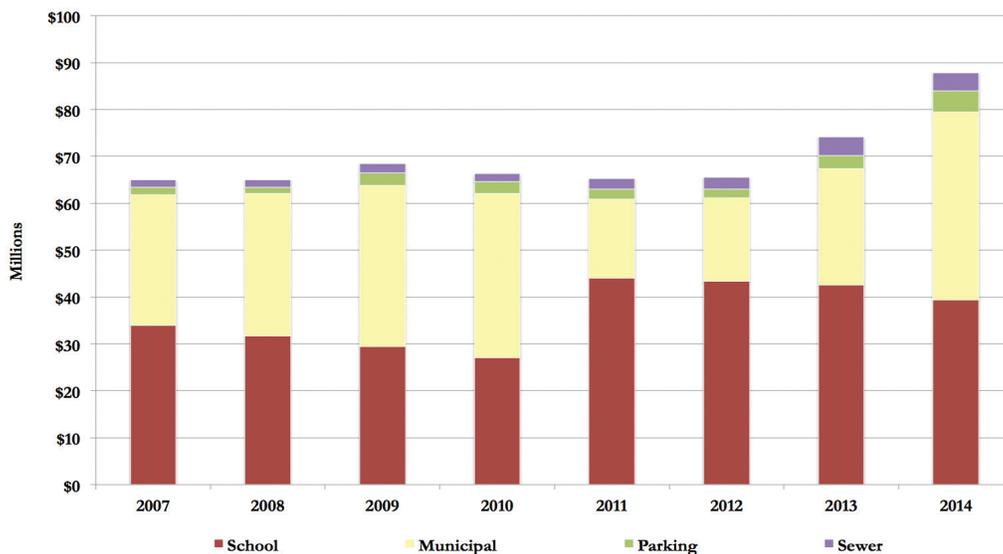
MUNICIPAL REVENUES \$47M, DOWN 1.7%

This chart shows the 2014 projected revenues and the percentage increase or (decrease) over 2013 for the Municipal Operating Budget and the Parking and Sewer Utilities. The Utilities budgets are funded through user fees only. About one-third of revenues are from non-tax sources.

IN MILLIONS



ISSUED DEBT FOR MUNICIPAL, SCHOOL, PARKING & SEWER UTILITIES



- Debt reflects the proceeds from the sale of municipal bonds and notes which are used for long-term financing of capital improvements such as infrastructure, roadways, sewers and equipment.
- The increase in total issued debt for 2014 reflects a \$7.4 million municipal and a \$2.2 million parking utility bond sale.

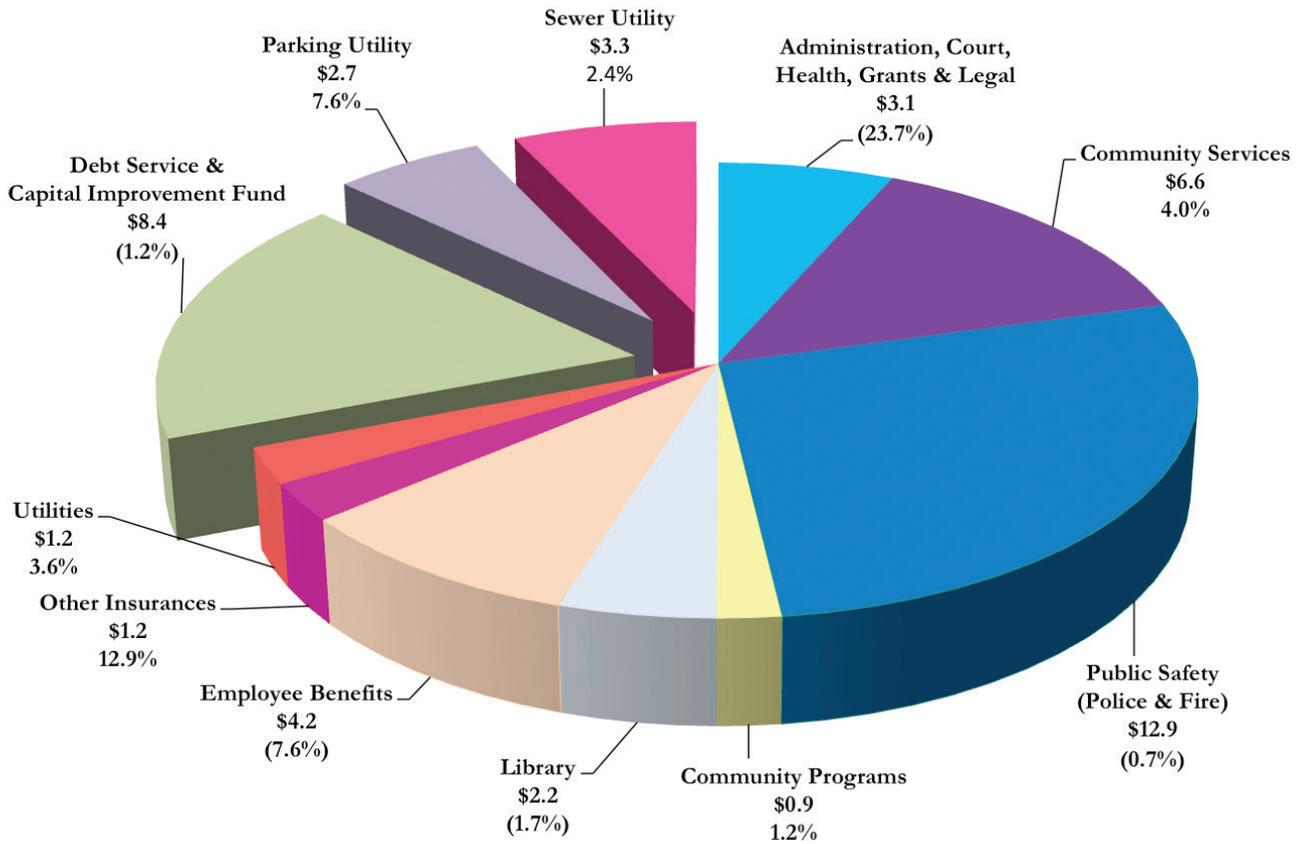
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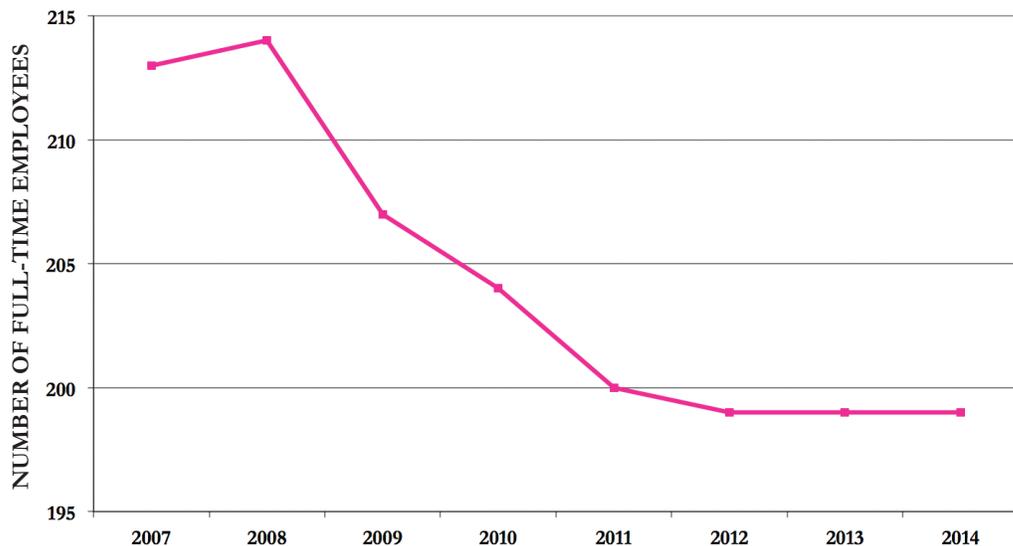
MUNICIPAL SPENDING \$47M, DOWN 1.7%

This chart shows the 2014 Municipal Budget expenditures and the percentage of increase or (decrease) over the 2013 expenditure budget for the Municipal Operating Budget and the Parking and Sewer Utilities. The Parking and Sewer Utility budgets are funded through user fees only. The Debt Service and Capital Improvement Fund includes both Municipal and School Debt Service.

IN MILLIONS



MUNICIPAL FULL-TIME STAFFING ANALYSIS (as of January 1st)





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

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

ECRWSS POSTAL CUSTOMER SUMMIT, NEW JERSEY 07901

MAYOR

Ellen K. Dickson

COMMON COUNCIL

COUNCIL PRESIDENT

Robert J. Rubino, MD

WARD I

Albert Dill, Jr.

Mike McTernan

Robert J. Rubino, MD

WARD II

Patrick J. Hurley

Sandra R. Lizza

Richard J. Madden

COUNCILMAN AT LARGE

Gregory Drummond

CITY ADMINISTRATOR

Christopher J. Cotter

CITY TREASURER/CFO

Scott H. Olsen

OPEN LINE EDITOR

Rita M. McNany

2014 BUDGET HIGHLIGHTS

Budget Trends: The municipal budget is the only portion of the tax bill that the Mayor & Common Council directly control. Through continuing efforts to control costs, the proposed municipal tax rate is reduced this year by 0.4%. The Board of Education budget is increasing a modest 0.5%. The County budget continues to rise at an estimated 3.1% for 2014.

Union County Taxes: Over the last five years the Union County portion of a Summit resident's tax bill has increased by 34.9% continuing pressure on the Municipal and School budgets. Only a small fraction of every dollar returns to Summit through County services. The Mayor and Council have made several recommendations to control County costs, including consolidation of departments and services, reduction of overtime, and privatization of several operations. In contrast, the School budget has increased 8.5% and the Municipal budget has increased 4.4% over the same time period.

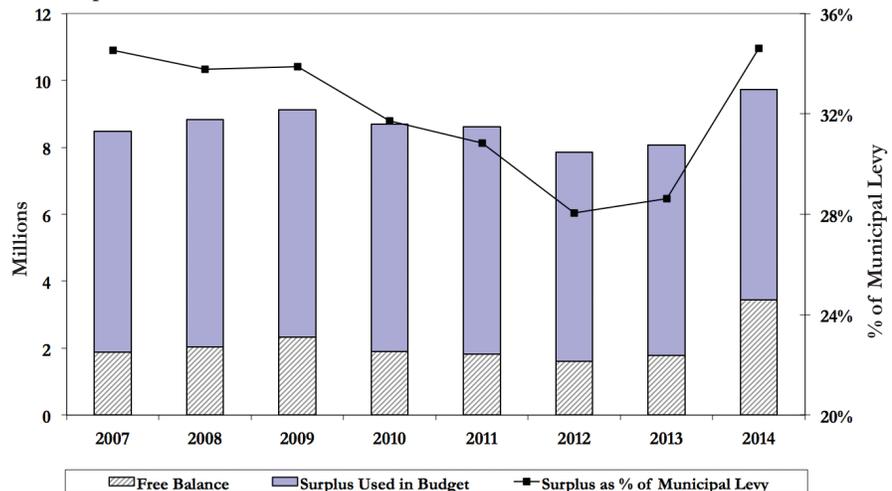
Shared Services: Summit currently participates in a variety of shared services including public works, athletic field maintenance, recreation and our finance department. A major initiative to provide a shared 9-1-1 emergency communications center with the Township of Millburn, Borough of New Providence and the City of Summit is scheduled to begin later this year.

Capital Improvements: A total of \$17.5 for improvements to schools has been approved which will be funded over the next several years. The 2014 municipal capital improvement plan proposes \$10.4 million in projects, including a major renovation to the Community Center, improvements to roadways, the library, and vehicle and equipment replacements and technology improvements. Included in the total is \$2.3 million for various parking and sewer improvements that are funded through user fees.

Health Benefits: NJ State employee health benefits and pension reforms resulted in a health benefit premium reduction of \$848,000 and a pension reduction of \$246,000, reducing the overall health insurance and pension expenses in this budget.

HISTORICAL SURPLUS ANALYSIS (as of January 1st)

Over time, the City generates Surplus when Revenues exceed Expenditures (shown by the columns). The greater the percentage of Surplus to Levy (shown by the lines) the more adequate the cash flow and the ability to meet unforeseen circumstances. The City's long-standing budgeting philosophy includes reliance on surplus funds to offset tax increases.



View Summit Common Council Meetings online at www.hometownetv.org