

APPROPRIATIONS

EXPLANATORY STATEMENT

COMPARISON OF MUNICIPAL APPROPRIATIONS 2008 - 2009

SUMMARY OF APPROPRIATIONS 2008 - 2009

2009 MUNICIPAL BUDGET

CITY OF NEWARK

EXPLANATORY STATEMENT

The Municipal Budget for the Year 2009 has been prepared within the constraints imposed by Chapter 68, Public Laws of 1978, commonly referred to as the CAP. The limit, approved by ordinance for 2009 is 3.5%. The following schedule, subject to review and approval by the Division of Local Government Services in the State Department of Community Affairs, shows the computation of the increase allowable in the Budget for 2009 over that of the 2008 Adopted Budget for the Appropriations subject to the "CAP Law":

Total General Appropriations for 2008		\$ 659,501,499.00
CAP Base Adjustment-PERS		7,450,513.00
-P&FS		<u>35,383,630.00</u>
		702,335,642.00
Exceptions Less:		
Total Other Operations	\$ 59,780,852.00	
Total Public & Private Programs	46,591,216.00	
Total Capital Improvements	100,000.00	
Total Municipal Debt Service	21,473,410.00	
Total Appropriations for School Purposes	7,949,000.00	
Reserve for Uncollected Taxes	28,200,000.00	
Deferred Charges	<u>400,000.00</u>	
<u>Total Exceptions</u>		<u>171,998,145.00</u>
Amount on which 3.5% "CAP" is applied		530,337,497.00
3.5% "CAP"		<u>18,561,812.00</u>
Allowable Operating Appropriations before Additional Exceptions per (N.J.S.A. 40A:4-45.3)		548,899,309.00
<u>MODIFICATIONS:</u>		
CAP Bank Calculations for Budget 2009		
New Construction \$76,317,200 X \$1.057		806,672.00
2007 CAP BANK		4,683,543.00
2008 CAP BANK		<u>13,220,969.00</u>
MAXIMUM "CAPS" APPROPRIATION ALLOWABLE FOR 2009		<u>\$ 567,610,493.00</u>

The “Summary of General Section of Budget” statement develops the local municipal tax levy which includes the “Reserve for Uncollected Taxes” or cash basis “overlay not only for local needs but for School and County purposes as well. While School and County taxes are expressed only in amount of cash needed for their payment, additional taxes must be raised, and included as part of the local levy, so the collection will meet requirements. The Budget for 2009 produces a projected Total Real Property tax rate of \$2.739 per \$100.00 of assessed valuation compared with the 2008 actual tax rate of \$2.599. The following table shows the composition of the projected 2009 tax levy and tax rate in comparison with the actual 2008 tax levy and tax rate.

	Projected-2009		Actual-2008	
	Tax Levy	Tax Rate	Tax Levy	Tax Rate
For Municipal Purposes	\$92,103,584.00	\$0.837	\$86,540,829.00	\$0.797
Reserve for Uncollected Taxes	<u>33,275,000.00</u>	<u>0.303</u>	<u>28,200,000.00</u>	<u>0.260</u>
For Local Tax for Municipal Purposes	<u>125,378,584.00</u>	<u>1.140</u>	<u>114,740,829.00</u>	<u>1.057</u>
For Local School Purposes:				
Tax Levy-School District Budget	100,213,266.00	0.911	98,286,088.00	0.905
Debt Service-Municipal Budget	5,508,079.00	0.050	3,577,646.00	0.033
Less: Business Personal Replacement Aid	<u>(1,528,717.00)</u>	<u>(0.014)</u>	<u>(1,586,515.00)</u>	<u>(0.015)</u>
Total Local School Purposes	<u>104,192,628.00</u>	<u>0.947</u>	<u>100,277,219.00</u>	<u>0.924</u>
For County Purposes including Open Space	71,720,076.00	0.652	67,113,707.58	0.618
Total Tax Levy	<u>\$301,291,288.00</u>	<u>\$2.7390</u>	<u>\$282,131,755.58</u>	<u>\$2.599</u>
Assessed Valuations	\$11,001,329,400.00		\$10,858,108,700.00	

COMPARISON OF MUNICIPAL APPROPRIATIONS 2008 - 2009 CITY OF NEWARK

<u>DESCRIPTION</u>	<u>HEAD COUNT</u>	<u>2008 COUNCIL ADOPTED</u>	<u>HEAD COUNT</u>	<u>2009 MAYOR'S PROPOSED</u>	<u>HEAD COUNT</u>	<u>2009 COUNCIL ADOPTED</u>
Office of the Mayor and Agencies	153	\$34,403,953.00	157	\$32,696,276.00	157	\$32,741,276.00
City Clerk and Municipal Council	118	12,710,791.00	121	11,532,284.00	121	13,432,284.00
Administration	113	21,589,390.00	105	19,985,115.00	105	19,944,187.00
Law	67	8,407,833.00	60	7,048,538.00	60	6,648,538.00
Finance	110	7,580,789.00	102	7,078,631.00	102	7,012,552.00
Police	1952	154,841,474.00	1847	149,561,932.00	1864	148,961,932.00
Fire	714	67,971,278.00	704	70,042,788.00	704	69,442,788.00
Engineering	214	37,449,061.00	209	37,004,006.00	209	40,960,133.00
Child and Family Well Being	159	12,148,887.00	137	10,486,950.00	137	10,737,950.00
Economic and Housing Development	67	4,204,813.00	63	3,355,906.00	63	3,375,906.00
Neighborhood and Recreational Services	432	39,608,662.00	430	36,551,543.00	430	37,018,478.00
Unclassified Operations		84,444,023.00		87,494,360.00		85,901,878.00
Statutory Expenditures		<u>57,686,737.00</u>		<u>37,245,418.00</u>		<u>37,245,418.00</u>
TOTAL DEPARTMENT OPERATIONS	4099	<u>543,047,691.00</u>	3935	<u>510,083,747.00</u>	3952	<u>513,423,320.00</u>
Capital Improvements		2,830,000.00		100,000.00		100,000.00
Deferred Charges		600,000.00		875,208.00		882,653.00
Judgments		2,450,000.00		2,450,000.00		2,450,000.00
Municipal Debt Service		23,059,925.00		28,579,193.00		28,579,193.00
School Debt Service		12,722,667.00		14,199,469.00		14,199,469.00
Cash Match		1,021,267.00		1,008,330.00		733,330.00
Reserve for Uncollected Taxes		<u>28,200,000.00</u>		<u>33,275,000.00</u>		<u>33,275,000.00</u>
TOTAL MUNICIPAL APPROPRIATION		<u>613,931,550.00</u>		<u>590,570,947.00</u>		<u>593,642,965.00</u>
TOTAL SCHOOL APPROPRIATION		98,286,088.00		100,213,266.00		100,213,266.00
TOTAL COUNTY APPROPRIATION		<u>67,113,707.58</u>		<u>71,720,075.75</u>		<u>71,720,075.75</u>
TOTAL APPROPRIATIONS	4099	<u>\$779,331,345.58</u>	3935	<u>\$762,504,288.75</u>	3952	<u>\$765,576,306.75</u>
PROPERTY TAX RATE (per \$100 of assessed value)		\$2.599		\$2.739		\$2.739

SUMMARY OF APPROPRIATIONS 2008 - 2009

<u>PERSONNEL SERVICES</u>	<u>2008 COUNCIL ADOPTED</u>	<u>2009 MAYOR'S PROPOSED</u>	<u>2009 COUNCIL ADOPTED</u>
Salaries and Wages	\$256,349,850.00	\$256,023,546.00	\$252,197,211.00
Other Pay (Including Unclassified)	113,602,845.00	111,861,341.00	112,751,788.00
Statutory Expenditures	<u>57,686,737.00</u>	<u>37,245,418.00</u>	<u>37,245,418.00</u>
TOTAL PERSONNEL SERVICES	<u>427,639,432.00</u>	<u>405,130,305.00</u>	<u>402,194,417.00</u>
<u>OTHER EXPENSES</u>			
Services by Contract or Agreement	89,744,417.00	81,234,313.00	88,634,319.00
Materials and Supplies	8,832,179.00	8,728,728.00	9,129,183.00
Equipment	1,921,612.00	1,452,801.00	1,477,801.00
Miscellaneous - Classified	1,626,721.00	1,152,600.00	1,152,600.00
Unclassified-Other Expenses	<u>13,283,330.00</u>	<u>12,385,000.00</u>	<u>10,835,000.00</u>
TOTAL OTHER EXPENSES	<u>115,408,259.00</u>	<u>104,953,442.00</u>	<u>111,228,903.00</u>
TOTAL DEPARTMENT OPERATIONS	543,047,691.00	510,083,747.00	513,423,320.00
Capital Improvements	2,830,000.00	100,000.00	100,000.00
Deferred Charges	600,000.00	875,208.00	882,653.00
Judgments	2,450,000.00	2,450,000.00	2,450,000.00
Municipal Debt Service	23,059,925.00	28,579,193.00	28,579,193.00
School Debt Service	<u>12,722,667.00</u>	<u>14,199,469.00</u>	<u>14,199,469.00</u>
SUB-TOTAL MUNICIPAL APPROPRIATIONS	<u>584,710,283.00</u>	<u>556,287,617.00</u>	<u>559,634,635.00</u>
Cash Matches	1,021,267.00	1,008,330.00	733,330.00
Special Items of Appropriation	<u>45,569,948.75</u>	<u>-</u>	<u>83,783,506.59</u>
SUB-TOTAL GENERAL APPROPRIATIONS	<u>631,301,498.75</u>	<u>557,295,947.00</u>	<u>644,151,471.59</u>
Reserve for Uncollected Taxes	<u>28,200,000.00</u>	<u>33,275,000.00</u>	<u>33,275,000.00</u>
TOTAL MUNICIPAL APPROPRIATION	<u>659,501,498.75</u>	<u>590,570,947.00</u>	<u>677,426,471.59</u>
TOTAL SCHOOL APPROPRIATION	98,286,088.00	100,213,266.00	100,213,266.00
TOTAL COUNTY APPROPRIATION	<u>67,113,707.58</u>	<u>71,720,075.75</u>	<u>71,720,075.75</u>
TOTAL APPROPRIATIONS	<u>\$824,901,294.33</u>	<u>\$762,504,288.75</u>	<u>\$849,359,813.34</u>
TOTAL NUMBER OF EMPLOYEES	4099	3935	3952

SUMMARY OF APPROPRIATIONS - 2009

<u>PERSONNEL SERVICES</u>	<u>2009 MAYOR'S PROPOSED</u>	<u>% OF TOTAL</u>	<u>2009 COUNCIL ADOPTED</u>	<u>% OF TOTAL</u>
Salaries and Wages	\$256,023,546.00	33.58%	\$252,197,211.00	29.69%
Other Pay (Including Unclassified)	111,861,341.00	14.67%	112,751,788.00	13.27%
Statutory Expenditures	<u>37,245,418.00</u>	<u>4.88%</u>	<u>37,245,418.00</u>	<u>4.39%</u>
TOTAL PERSONNEL SERVICES	<u>405,130,305.00</u>	<u>53.13%</u>	<u>402,194,417.00</u>	<u>47.35%</u>
<u>OTHER EXPENSES</u>				
Services by Contract or Agreement	81,234,313.00	10.65%	88,634,319.00	10.44%
Materials and Supplies	8,728,728.00	1.14%	9,129,183.00	1.07%
Equipment	1,452,801.00	0.19%	1,477,801.00	0.17%
Miscellaneous - Classified	1,152,600.00	0.15%	1,152,600.00	0.14%
Unclassified-Other Expenses	<u>12,385,000.00</u>	<u>1.62%</u>	<u>10,835,000.00</u>	<u>1.28%</u>
TOTAL OTHER EXPENSES	<u>104,953,442.00</u>	<u>13.75%</u>	<u>111,228,903.00</u>	<u>13.10%</u>
TOTAL DEPARTMENTAL OPERATIONS	<u>510,083,747.00</u>	<u>66.88%</u>	<u>513,423,320.00</u>	<u>60.45%</u>
<u>OTHER UNCLASSIFIED OPERATIONS</u>				
Capital Improvements	100,000.00	0.01%	100,000.00	0.01%
Deferred Charges	875,208.00	0.12%	882,653.00	0.10%
Judgments	2,450,000.00	0.32%	2,450,000.00	0.29%
Municipal Debt Service	28,579,193.00	3.75%	28,579,193.00	3.36%
School Debt Service	<u>14,199,469.00</u>	<u>1.86%</u>	<u>14,199,469.00</u>	<u>1.67%</u>
SUB-TOTAL OTHER UNCLASSIFIED OPERATIONS	<u>46,203,870.00</u>	<u>6.06%</u>	<u>46,211,315.00</u>	<u>5.44%</u>
SUB-TOTAL MUNICIPAL APPROPRIATIONS	556,287,617.00	72.94%	559,634,635.00	65.88%
Cash Matches	1,008,330.00	0.13%	733,330.00	0.09%
Special Items of Appropriations	<u>-</u>	<u>0.00%</u>	<u>83,783,506.59</u>	<u>9.86%</u>
SUB-TOTAL MUNICIPAL APPROPRIATION	<u>557,295,947.00</u>	<u>73.07%</u>	<u>644,151,471.59</u>	<u>75.83%</u>
Reserve for Uncollected Taxes	<u>33,275,000.00</u>	<u>4.37%</u>	<u>33,275,000.00</u>	<u>3.92%</u>
TOTAL MUNICIPAL APPROPRIATION	590,570,947.00	77.44%	677,426,471.59	79.76%
TOTAL SCHOOL APPROPRIATION	100,213,266.00	13.14%	100,213,266.00	11.80%
TOTAL COUNTY APPROPRIATION	<u>71,720,075.75</u>	<u>9.42%</u>	<u>71,720,075.75</u>	<u>8.44%</u>
TOTAL APPROPRIATIONS	<u>\$762,504,288.75</u>	<u>100.00%</u>	<u>\$849,359,813.34</u>	<u>100.00%</u>
TOTAL NUMBER OF EMPLOYEES	3935		3952	