

STATE OF NEW JERSEY  
DEPARTMENT OF COMMUNITY AFFAIRS  
DIVISION OF LOCAL GOVERNMENT SERVICES  
BUREAU OF AUTHORITY REGULATION  
TRENTON, N.J.

LOCAL GOVT SERVICES

2015 DEC 28 P 6 52

RECEIVED

CONDITIONAL CERTIFICATION OF APPROVED BUDGET

It is hereby certified that the approved budget of the Southeast Morris County Municipal Utilities Authority for the fiscal year ending December 31, 2016 made a part hereof complies with the requirements of law and regulation except for the conditions noted below, and approval is given pursuant to N.J.S.A. 40A:5A-11 subject to the correction of such conditions.

12/17/15  
Date

By Christine M. Zapicchi  
Christine M. Zapicchi, Assistant Director  
Division of Local Government Services

CONDITIONS

Pursuant to N.J.S.A. 40A:5A-10 and 11 of the Local Authorities Fiscal Control Law and N.J.A.C. 5:31-2.1 et seq., each Authority in the State of New Jersey is required to submit a budget for each fiscal year to the Director of the Division of Local Government Services for review and approval. In accordance with these statutory and regulatory requirements, the Southeast Morris County Municipal Utilities Authority submitted its introduced budget for the fiscal year ending December 31, 2016 to the Director for review and approval. During the review of the 2016 budget for the Authority, it was concluded that the Authority finds it necessary to increase rates by 2%.

The 2016 budget is approved pending the adoption of the rate schedule on December 17, 2015.

When the rate schedule is adopted, the Authority should proceed as follows:

Upon the adoption of the rate schedule by the Southeast Morris County Municipal Utilities Authority, the Authority may adopt the budget and submit two copies, including pages C-6 and C-7 (which refer to the adoption), to the Division for the Director's approval.

2016

The Southeast Morris County  
Municipal Utilities Authority

Authority Budget

[www.smcmua.org](http://www.smcmua.org)

Department Of



Community  
Affairs

Division of Local Government Services

APPROVED COPY  
OFFICE COPY

**2016 AUTHORITY BUDGET**

**Certification Section**

2016

THE SOUTHEAST MORRIS COUNTY MUNICIPAL UTILITIES AUTHORITY

AUTHORITY BUDGET

FISCAL YEAR: FROM JANUARY 1, 2016 TO DECEMBER 31, 2016

For Division Use Only

**CERTIFICATION OF APPROVED BUDGET**

*It is hereby certified that the approved Budget made a part hereof complies with the requirements of law and the rules and regulations of the Local Finance Board, and approval is given pursuant to N.J.S.A. 40A:5A-11.*

*State of New Jersey  
Department of Community Affairs  
Director of the Division of Local Government Services*

By: Conditional Date: \_\_\_\_\_

**CERTIFICATION OF ADOPTED BUDGET**

*It is hereby certified that the adopted Budget made a part hereof has been compared with the approved Budget previously certified by the Division, and any amendments made thereto. This adopted Budget is certified with respect to such amendments and comparisons only.*

*State of New Jersey  
Department of Community Affairs  
Director of the Division of Local Government Services*

By: Christine M. Zepinski Date: 1/28/16

## 2016 PREPARER'S CERTIFICATION

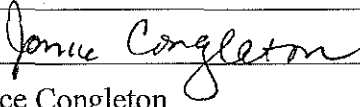
THE SOUTHEAST MORRIS COUNTY MUNICIPAL UTILITIES AUTHORITY

AUTHORITY BUDGET

FISCAL YEAR: FROM JANUARY 1, 2016 TO DECEMBER 31, 2016

It is hereby certified that the Authority Budget, including both the Annual Budget and the Capital Budget/Program annexed hereto, represents the members of the governing body's resolve with respect to statute in that: all estimates of revenue are reasonable, accurate and correctly stated; all items of appropriation are properly set forth; and in itemization, form and content, the budget will permit the exercise of the comptroller function within the Authority.

It is further certified that all proposed budgeted amounts and totals are correct. Also, I hereby provide reasonable assurance that all assertions contained herein are accurate and all required schedules are completed and attached.

Preparer's Signature:			
Name:	Janice Congleton		
Title:	Director of Finance/Treasurer		
Address:	19 Saddle Road Cedar Knolls, NJ 07927		
Phone Number:	973-326-6863	Fax Number:	973-326-6864
E-mail address	jcongleton@smcmua.org		

## 2016 APPROVAL CERTIFICATION


### THE SOUTHEAST MORRIS COUNTY MUNICIPAL UTILITIES AUTHORITY

#### AUTHORITY BUDGET

FISCAL YEAR: FROM JANUARY 1, 2016 TO DECEMBER 31, 2016

It is hereby certified that the Authority Budget, including all schedules appended hereto, are a true copy of the Annual Budget and Capital Budget/Program approved by resolution by the governing body of The Southeast Morris County Municipal Utilities Authority, at an open public meeting held pursuant to N.J.A.C. 5:31-2.3, on the 22nd day of October, 2015.

It is further certified that the recorded vote appearing in the resolution represents not less than a majority of the full membership of the governing body thereof.

Officer's Signature:			
Name:	Sidney D. Weiss, Esq.		
Title:	Assistant Secretary		
Address:	19 Saddle Road Cedar Knolls, NJ 07927		
Phone Number:	973-326-7234	Fax Number:	973-356-9521
E-mail address	sdweiss@smcmua.org		



## INTERNET WEBSITE CERTIFICATION

Authority's Web Address:	www.smcMua.org
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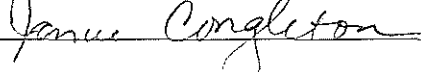
All authorities shall maintain either an Internet website or a webpage on the municipality's or county's Internet website. The purpose of the website or webpage shall be to provide increased public access to the authority's operations and activities. N.J.S.A. 40A:5A-17.1 requires the following items to be included on the Authority's website at a minimum for public disclosure. Check the boxes below to certify the Authority's compliance with N.J.S.A. 40A:5A-17.1.

- A description of the Authority's mission and responsibilities
- Commencing with 2013, the budgets for the current fiscal year and immediately preceding two prior years
- The most recent Comprehensive Annual Financial Report (Unaudited) or similar financial information
- Commencing with 2012, the annual audits of the most recent fiscal year and immediately two prior years
- The Authority's rules, regulations and official policy statements deemed relevant by the governing body of the authority to the interests of the residents within the authority's service area or jurisdiction
- Notice posted pursuant to the "Open Public Meetings Act" for each meeting of the Authority, setting forth the time, date, location and agenda of each meeting
- Beginning January 1, 2013, the approved minutes of each meeting of the Authority including all resolutions of the board and their committees; for at least three consecutive fiscal years
- The name, mailing address, electronic mail address and phone number of every person who exercises day-to-day supervision or management over some or all of the operations of the Authority
- A list of attorneys, advisors, consultants and any other person, firm, business, partnership, corporation or other organization which received any remuneration of \$17,500 or more during the preceding fiscal year for any service whatsoever rendered to the Authority.

It is hereby certified by the below authorized representative of the Authority that the Authority's website or webpage as identified above complies with the minimum statutory requirements of N.J.S.A. 40A:5A-17.1 as listed above. A check in each of the above boxes signifies compliance.

Name of Officer Certifying compliance     Janice Congleton

Title of Officer Certifying compliance     Director of Finance/Treasurer

Signature     

# 2016 AUTHORITY BUDGET RESOLUTION

## THE SOUTHEAST MORRIS COUNTY MUNICIPAL UTILITIES AUTHORITY

FISCAL YEAR: FROM JANUARY 1, 2016 TO DECEMBER 31, 2016

WHEREAS, the Annual Budget and Capital Budget for The Southeast Morris County Municipal Utilities Authority for the fiscal year beginning, January 1, 2016 and ending, December 31, 2016 has been presented before the governing body of The Southeast Morris County Municipal Utilities Authority at its open public meeting of October 22, 2015; and

WHEREAS, the Annual Budget as introduced reflects Total Revenues of \$14,200,851.00, Total Appropriations, including any Accumulated Deficit if any, of \$14,942,076.00 and Total Unrestricted Net Position utilized of \$741,225.00; and

WHEREAS, the Capital Budget as introduced reflects Total Capital Appropriations of \$3,286,200 and Total Unrestricted Net Position planned to be utilized as funding thereof, of \$3,286,200; and

WHEREAS, the schedule of rates, fees and other charges in effect will produce sufficient revenues, together with all other anticipated revenues to satisfy all obligations to the holders of bonds of the Authority, to meet operating expenses, capital outlays, debt service requirements, and to provide for such reserves, all as may be required by law, regulation or terms of contracts and agreements; and

WHEREAS, the Capital Budget/Program, pursuant to N.J.A.C. 5:31-2, does not confer any authorization to raise or expend funds; rather it is a document to be used as part of the said Authority's planning and management objectives. Specific authorization to expend funds for the purposes described in this section of the budget, must be granted elsewhere; by bond resolution, by a project financing agreement, by resolution appropriating funds from the Renewal and Replacement Reserve or other means provided by law.

NOW, THEREFORE BE IT RESOLVED, by the governing body of The Southeast Morris County Municipal Utilities Authority, at an open public meeting held on October 22, 2015 that the Annual Budget, including all related schedules, and the Capital Budget/Program of The Southeast Morris County Municipal Utilities Authority for the fiscal year beginning, January 1, 2016 and ending, December 31, 2016 is hereby approved; and

BE IT FURTHER RESOLVED, that the anticipated revenues as reflected in the Annual Budget are of sufficient amount to meet all proposed expenditures/expenses and all covenants, terms and provisions as stipulated in the said Authority's outstanding debt obligations, capital lease arrangements, service contracts, and other pledged agreements; and

BE IT FURTHER RESOLVED, that the governing body of The Southeast Morris County Municipal Utilities Authority will consider the Annual Budget and Capital Budget/Program for adoption on December 17, 2015.

\_\_\_\_\_  
 (Assistant Secretary's Signature)

\_\_\_\_\_  
 October 22, 2015  
 (Date)

Governing Body Member:	Recorded Vote			
	Aye	Nay	Abstain	Absent
Baldassari, Dennis	X			
Carroll, Robert				X
Conradi, William	X			
Dougherty, Mary				X
Iannaccone, Saverio	X			
Johnson, Alan	X			
Kissil, Donald				X
Schimpf, Adolf	X			

5/8  
vote @




## 2016 ADOPTION CERTIFICATION

### THE SOUTHEAST MORRIS COUNTY MUNICIPAL UTILITIES AUTHORITY

#### AUTHORITY BUDGET

FISCAL YEAR: FROM JANUARY 1, 2016 TO DECEMBER 31, 2016

It is hereby certified that the Authority Budget and Capital Budget/Program annexed hereto is a true copy of the Budget adopted by the governing body of The Southeast Morris County Municipal Utilities Authority, pursuant to N.J.A.C. 5:31-2.3, on the 17th day of December, 2015.

Officer's Signature:			
Name:	Sidney D. Weiss, Esq.		
Title:	Assistant Secretary		
Address:	19 Saddle Road Cedar Knolls, NJ 07927		
Phone Number:	973-326-7234	Fax Number:	973-356-9521
E-mail address	sdweiss@smcmua.org		

## 2016 ADOPTED BUDGET RESOLUTION

### THE SOUTHEAST MORRIS COUNTY MUNICIPAL UTILITIES AUTHORITY

FISCAL YEAR: FROM JANUARY 1, 2016 TO DECEMBER 31, 2016

WHEREAS, the Annual Budget and Capital Budget/Program for The Southeast Morris County Municipal Utilities Authority for the fiscal year beginning January 1, 2016 and ending, December 31, 2016 has been presented for adoption before the governing body of The Southeast Morris County Municipal Utilities Authority at its open public meeting of December 17, 2015; and

WHEREAS, the Annual Budget and Capital Budget as presented for adoption reflects each item of revenue and appropriation in the same amount and title as set forth in the introduced and approved budget, including all amendments thereto, if any, which have been approved by the Director of the Division of Local Government Services; and

WHEREAS, the Annual Budget as presented for adoption reflects Total Revenues of \$14,200,851.00, Total Appropriations, including any Accumulated Deficit if any, of \$14,942,076.00 and Total Unrestricted Net Position utilized of \$741,225.00; and

WHEREAS, the Capital Budget as presented for adoption reflects Total Capital Appropriations of \$3,286,200 and Total Unrestricted Net Position planned to be utilized as funding thereof, of \$3,286,200; and

NOW, THEREFORE BE IT RESOLVED, by the governing body of The Southeast Morris County Municipal Utilities Authority, at an open public meeting held on December 17, 2015 that the Annual Budget and Capital Budget/Program of The Southeast Morris County Municipal Utilities Authority for the fiscal year beginning, January 1, 2016 and ending, December 31, 2016 is hereby adopted and shall constitute appropriations for the purposes stated; and

BE IT FURTHER RESOLVED, that the Annual Budget and Capital Budget/Program as presented for adoption reflects each item of revenue and appropriation in the same amount and title as set forth in the introduced and approved budget, including all amendments thereto, if any, which have been approved by the Director of the Division of Local Government Services.

  
(Assistant Secretary's Signature)

December 17, 2015

(Date)

Governing Body Member:

Recorded Vote

	Aye	Nay	Abstain	Absent
Baldassari, Dennis	X			
Carroll, Robert				X
Conradi, William	X			
Dougherty, Mary	X			
Iannaccone, Saverio	X			
Johnson, Alan	X			
Kissil, Donald	X			
Schimpf, Adolf	X			



**2016 AUTHORITY BUDGET**  
**Narrative and Information Section**

# 2016 AUTHORITY BUDGET MESSAGE & ANALYSIS

## THE SOUTHEAST MORRIS COUNTY MUNICIPAL UTILITIES AUTHORITY

### AUTHORITY BUDGET

FISCAL YEAR: FROM JANUARY 1, 2016 TO DECEMBER 31, 2016

*Answer all questions below. Attach additional pages and schedules as needed.*

1. Complete a brief statement on the 2016 proposed Annual Budget and make comparison to the 2015 adopted budget for each operation. Explain any variances over +/-10% for each line item by operation. Explanations of variances should include a description of the reason for the increase/decrease in the budgeted line item, not just an indication of the amount and percent of the change. Attach any supporting documentation that will help to explain the reason for the increase/decrease in the budgeted line item. For example, if anticipated service charges have increased 15% due to an increase in rates, provide a copy of the resolution authorizing the rate increase.

Water rates and services charges will increase by Resolution by 2% for the year 2016. With the new in-house billing system, more accurate reports are generated in more detail showing revenue categories for water bills. In 2015 we had an increase of approximately \$25,000 in revenue from fines and penalties which is reflected in our proposed 2016 budget. This increase is due to more accurate reporting of penalties and interest and a very proactive collections initiative this past year. Intergovernmental Water Service Charges increased by 18.5% due to a new revenue source created by an interlocal agreement with the Borough of Wharton to reserve and possibly purchase water from the Authority. There was a decrease in miscellaneous income by \$10,000. This decrease is partly due to keeping vehicles longer rather than having them go to auction and having fewer items in general that need to be auctioned or sold.

Appropriations are increased or decreased by more than 10% in several areas. There is a 26.2% increase in total salary and wages for administration personnel. There will be 2 new hires in 2016 (one full-time and increase to full-time from a current part-time) for positions under this category. All potential pay increases for union and non-union employees are included as part of salary and wages for general administration personnel until contract negotiations are completed for 2016.

The fringe benefits for administration increased by 20.6% for the 2016 budget. This includes benefits for 2 new employees and an increase in health insurance costs by approximately 6%. Under Administration – other, the cost for engineering and consultants increased by 28%. This is due to the change in the scope of work for the business and water supply planning consultant which increased that line item by \$16,000. Legal services decreased by over 13% as a result of a pending lawsuit being withdrawn in the middle of 2015 so outside legal services will not be necessary for 2016.

Financial Administration & Customer Service decreased by approximately 16%. The Authority is planning on creating an in house lockbox by midyear which will save banking charges plus possibly adding a convenience fee to pay water bills using a credit card rather than absorbing the fees. It Support's budget decreased by 10% due to a decrease in the need to purchase hardware and software in 2016.

Under the Cost of Providing Services – Other, purchased water increased by 10.5%. This reflects an increase in water costs of 4%, an increase in the amount of water to be purchased plus a 4% increase in the electricity.

Debt service interest payments decreased by 45%. The actual interest payment for bond debt will be \$19,250 and is the final interest payment. The final principle payment for the bond is due January 1, 2016. Future year capital costs are planned to be funded on a cash basis.

2. Complete a brief statement on the impact the proposed Annual Budget will have on Anticipated Revenues, especially service charges and on the general purpose/component unit financial statements. Explain significant increases or decreases, if any. An increase or decrease is considered significant if it is over +/-10% from the current year adopted budget.

Total anticipated revenues increased by approximately \$200,000 between 2015 and 2016. The increases are in interest bank deposits due to savings in interest bearing bank accounts, penalty and interest on water bills increasing by \$25,000 and total anticipated water service charges increasing by \$186,921 due to a 2% rate increase in 2016. Rents for cell towers and billboards are anticipated to be down due to the timing of payments rather than any contract change. The Authority continues to anticipate zero dollars for connection fees due to the difficulty in making projections for this development.

3. Describe the state of the local/regional economy and how it may impact the proposed Annual Budget, including the planned Capital Budget/Program.

The state of the economy in the region supplied by the Authority is stable and some growth has been seen in construction. In the demand forecast developed using information from the various districts to which the Authority provides water and census data changes, it was determined that the Authority will add 231 new accounts in 2016. However it is anticipated that one of the Authority's Commercial customers will be moving to another state in the near future. Between these two potential changes, it is expected that the water demand will increase by a small percentage in 2016.

4. Describe the reasons for utilizing Unrestricted Net Position in the proposed Annual Budget, i.e. rate stabilization, debt service reduction, to balance the budget, etc. If the Authority's budget anticipates a use of Unrestricted Net Position, this question must be answered.

The 2016 budget utilizes \$741,225 Unrestricted Net Position in the proposed annual budget. This was used to balance the budget and to prevent the need for a rate increase of more than the 2%.

5. Identify any sources of funds transferred to the County/Municipality as a budget subsidy or a shared service and explain the reason for the transfer (i.e.: to balance the County/Municipality budget, etc.).

There are no transfers to the County/Municipality as a budget subsidy or shared service.

6. The proposed budget must not reflect an anticipated deficit from 2016 operations. If there exists an accumulated deficit from prior years' budgets (and funding is included in the proposed budget as a result of a prior deficit) explain the funding plan to eliminate said deficit (N.J.S.A. 40A:5A-12). If the Authority has a net deficit reported in its most recent audit, it must provide a deficit reduction plan in response to this question.

There are no deficits in any prior year budgets or in the current budget.

7. Attach a schedule of the Authority's existing rate structure (connection fees, parking fees, service charges, etc.) and a schedule of the proposed rate structure for the upcoming fiscal year. Explain any proposed changes in the rate structure and attach the resolution approving the change in the rate structure, if applicable.

The rate schedule for the 2% increase is attached. This will be presented for adoption at the December Board meeting.

8. Attach a copy of the Authority's most recent Annual Operating Data submission to the Municipal Securities Rulemaking Board's Electronic Municipal Marketplace Access (EMMA) under the Authority's Continuing Disclosure Agreements for any debt issuances outstanding. Examples of Annual Operating Data may include sewer and water billings; parking rents and collections; number of customers; number of available parking spaces; etc. See Local Finance Notice 2014-9 for more information.

The most recent submission to EMMA was on 5/18/15. The type of disclosure was the 12/31/2014 Annual Audited Financial Statements. See attached. ✓

## Janice Congleton

---

**From:** Alessi, Catherine <Catherine.Alessi@td.com>  
**Sent:** Friday, October 23, 2015 10:35 AM  
**To:** Janice Congleton  
**Subject:** Published Submission Confirmation

Hi Janice,  
EMMA confirmation is below.

Best regards,

Cathy

Catherine M. Alessi, CCTS | Vice President | Corporate Trust TD Wealth®

NJ5-017-161 | 1006 Astoria Boulevard, Cherry Hill, NJ 08034

T: 856-685-5105 | F: 856-685-5267

[catherine.alessi@td.com](mailto:catherine.alessi@td.com)

-----Original Message-----

**From:** [EMMANotifications@msrb.org](mailto:EMMANotifications@msrb.org) [mailto:[EMMANotifications@msrb.org](mailto:EMMANotifications@msrb.org)]

**Sent:** Monday, May 18, 2015 12:55 PM

**To:** Alessi, Catherine

**Subject:** Published Submission Confirmation

Your Continuing Disclosure Submission has been published.

SubmissionId: ER703651

Disclosure Type: FINANCIAL/OPERATING FILING Audited Financial Statements or CAFR (Rule 15c2-12): Annual Audited Financial Statements for the year ended 12/31/2014

Document Name: Financial Operating Filing dated 05/18/2015

Southeast Morris County MUA 2014 Audit.pdf posted 05/18/2015 12:46:15 PM

The following Issuers are associated with this Continuing Disclosure Submission:

CUSIP6 State Issuer Name

841444 NJ SOUTHEAST MORRIS CNTY MUN UTILS AUTH N J WTR REV

The following 2 Securities have been published with this Continuing Disclosure Submission:

Security: CUSIP - 841444CNO, Maturity Date - 01/01/2016

Security: CUSIP - 841444CP5, Maturity Date - 01/01/2016

Please follow the link to view this submission:

<http://emma.msrb.org/ContinuingDisclosureView/ContinuingDisclosureDetails.aspx?submissionid=ER703651>



Please follow the link to make changes to this submission:

<http://dataport.emma.msrb.org/AboutDataport.aspx>

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## AUTHORITY CONTACT INFORMATION

2016

Please complete the following information regarding this Authority. All information requested below must be completed.

<b>Name of Authority:</b>	The Southeast Morris County Municipal Utilities Authority		
Address:	19 Saddle Road		
City, State, Zip:	Cedar Knolls	NJ	07927
Phone: (ext.)	973-326-6880	Fax:	973-326-9521

<b>Preparer's Name:</b>	Janice Congleton, Director of Finance/Treasurer		
Preparer's Address:	19 Saddle Road		
City, State, Zip:	Cedar Knolls	NJ	07927
Phone: (ext.)	973-326-6863	Fax:	973-326-6864
E-mail:	jcongleton@smcmua.org		

<b>Chief Executive Officer:</b>	Laura Cummings, Executive Director/Chief Engineer		
Phone: (ext.)	973-326-6866	Fax:	973-326-7233
E-mail:	lcummings@smcmua.org		

<b>Chief Financial Officer:</b>	Janice Congleton, Director of Finance/Treasurer		
Phone: (ext.)	973-326-6863	Fax:	973-326-6864
E-mail:	jcongleton@smcmua.org		

<b>Name of Auditor:</b>	Kathi Mantell		
Name of Firm:	Nisivoccia, L.L.P.		
Address:	200 Valley Road Suite 300		
City, State, Zip:	Mt. Arlington	NJ	07856
Phone: (ext.)	973-328-1825	Fax:	973-328-0507
E-mail:	kmantell@nisivoccia.com		

# AUTHORITY INFORMATIONAL QUESTIONNAIRE

## THE SOUTHEAST MORRIS COUNTY MUNICIPAL UTILITIES AUTHORITY

FISCAL YEAR: FROM JANUARY 1, 2016 TO DECEMBER 31, 2016

Answer all questions below completely and attach additional information as required.

- 1) Provide the number of individuals employed in calendar year 2014 as reported on the Authority's Form W-3, Transmittal of Wage and Tax Statements: 51
- 2) Provide the amount of total salaries and wages for calendar year 2014 as reported on the Authority's Form W-3, Transmittal of Wage and Tax Statements: 3,034,870
- 3) Provide the number of regular voting members of the governing body: 8
- 4) Provide the number of alternate voting members of the governing body: 0
- 5) Did any person listed on Page N-4 have a family or business relationship with any other person listed on Page N-4 during the current fiscal year? No  If "yes," attach a description of the relationship including the names of the individuals involved and their positions at the Authority.
- 6) Did all individuals that were required to file a Financial Disclosure Statement for the current fiscal year because of their relationship with the Authority file the form as required? Yes  If "no," provide a list of those individuals who failed to file a Financial Disclosure Statement and an explanation as to the reason for their failure to file.
- 7) Does the Authority have any amounts receivable from current or former commissioners, officers, key employees or highest compensated employees? No  If "yes," attach a list of those individuals, their position, the amount receivable, and a description of the amount due to the Authority.
- 8) Was the Authority a party to a business transaction with one of the following parties:
  - a. A current or former commissioner, officer, key employee, or highest compensated employee? No
  - b. A family member of a current or former commissioner, officer, key employee, or highest compensated employee? No
  - c. An entity of which a current or former commissioner, officer, key employee, or highest compensated employee (or family member thereof) was an officer or direct or indirect owner? No

*If the answer to any of the above is "yes," attach a description of the transaction including the name of the commissioner, officer, key employee, or highest compensated employee (or family member thereof) of the Authority; the name of the entity and relationship to the individual or family member; the amount paid; and whether the transaction was subject to a competitive bid process.*
- 9) Did the Authority during the most recent fiscal year pay premiums, directly or indirectly, on a personal benefit contract? A personal benefit contract is generally any life insurance, annuity, or endowment contract that benefits, directly or indirectly, the transferor, a member of the transferor's family, or any other person designated by the transferor. No  If "yes," attach a description of the arrangement, the premiums paid, and indicate the beneficiary of the contract.
- 10) Explain the Authority's process for determining compensation for all persons listed on Page N-4. Include whether the Authority's process includes any of the following: 1) review and approval by the commissioners or a committee thereof; 2) study or survey of compensation data for comparable positions in similarly sized entities; 3) annual or periodic performance evaluation; 4) independent compensation consultant; and/or 5) written employment contract.

**AUTHORITY INFORMATIONAL QUESTIONNAIRE  
(CONTINUED)**

THE SOUTHEAST MORRIS COUNTY MUNICIPAL UTILITIES AUTHORITY

FISCAL YEAR: FROM JANUARY 1, 2016 TO DECEMBER 31, 2016

Continued – 10

The Authority recently met with a consultant to determine if compensation to employees is comparable to positions in similarly sized entities. It was determined that the Authority's salary ranges are in line with similar utilities. The AWWA comprehensive survey of salary and wages was also used to assist in calculating present and future compensation. Members of the union are compensated as per the negotiated and ratified union contract which includes the percentage increase each year and the salary guide. For non-union personnel, annual performance evaluations are performed and recommendations are made to the Board for approval of increases and bonuses. Performance evaluations are done annually for all employees.

- 11) Did the Authority pay for meals or catering during the current fiscal year? Yes If "yes," attach a detailed list of all meals and/or catering invoices for the current fiscal year and provide an explanation for each expenditure listed.

See attached.

- 12) Did the Authority pay for travel expenses for any employee or individual listed on Page N-4? Yes If "yes," attach a detailed list of all travel expenses for the current fiscal year and provide an explanation for each expenditure listed.

See attached.

- 13) Did the Authority provide any of the following to or for a person listed on Page N-4 or any other employee of the Authority:

- a. First class or charter travel No
- b. Travel for companions No
- c. Tax indemnification and gross-up payments No
- d. Discretionary spending account No
- e. Housing allowance or residence for personal use No
- f. Payments for business use of personal residence No
- g. Vehicle/auto allowance or vehicle for personal use No
- h. Health or social club dues or initiation fees No
- i. Personal services (i.e.: maid, chauffeur, chef) No

If the answer to any of the above is "yes," attach a description of the transaction including the name and position of the individual and the amount expended.

- 14) Did the Authority follow a written policy regarding payment or reimbursement for expenses incurred by employees and/or commissioners during the course of Authority business and does that policy require substantiation of expenses through receipts or invoices prior to reimbursement? Yes If "no," attach an explanation of the Authority's process for reimbursing employees and commissioners for expenses.

- 15) Did the Authority make any payments to current or former commissioners or employees for severance or termination?  No  Yes *If "yes," attach explanation including amount paid.*
- 16) Did the Authority make any payments to current or former commissioners or employees that were contingent upon the performance of the Authority or that were considered discretionary bonuses?  No  Yes *If "yes," attach explanation including amount paid.*
- 17) Did the Authority comply with its Continuing Disclosure Agreements for all debt issuances outstanding by submitting its audited annual financial statements, annual operating data, and notice of material events to the Municipal Securities Rulemaking Board's Electronic Municipal Marketplace Access (EMMA) as required?  Yes  No *If "no," attach a description of the Authority's plan to ensure compliance with its Continuing Disclosure Agreements in the future.*
- 18) Did the Authority receive any notices from the Department of Environmental Protection or any other entity regarding maintenance or repairs required to the Authority's systems to bring them into compliance with current regulations and standards that it has not yet taken action to remediate?  No  Yes *If "yes," attach explanation as to why the Authority has not yet undertaken the required maintenance or repairs and describe the Authority's plan to address the conditions identified.*
- 19) Did the Authority receive any notices of fines or assessments from the Department of Environmental Protection or any other entity due to noncompliance with current regulations (i.e.: sewer overflow, etc.)?  No  Yes *If "yes," attach a description of the event or condition that resulted in the fine or assessment and indicate the amount of the fine or assessment.*

**SMCMUA 2015 Catered Events and Meals** ✓

Company	Event	Date	Check	Amount
Longfellow's	Management Luncheon (Anti Harrassment Training)	2/26/2015	36259 \$	152.87
Longfellow's	Management Luncheon (Anti Harrassment Training)	3/12/2015	36532 \$	152.87
Reimbursement	LaPointe - welcome lunch with director	6/18/2015	36892 \$	89.77
Reimbursement	MCMUA Lunch Meeting - Laura Cummings, Director	6/18/2015	36892 \$	39.84
Reimbursement	Welcome Lunch - Jonach & Marucci with director	10/22/2015	37373 \$	74.60

**SMCMUA - Travel Costs** ✓

Employee	Event	Date	Check	Amount
Sophia Heng	AWWA Conference - March 17 - 19 - Hotel Costs	2/19/2015	36434 \$	312.00
Sophia Heng	AWWA Conference Expenses	4/23/2015	36725 \$	243.50
Janice Congleton	Seminar Expenses - Hotel & Meals (Management Training Rutgers)	4/23/2015	36686 \$	352.70
Janice Congleton	GFOA Conference - Meals & Tolls	10/22/2015	37367 \$	233.71
Janice Congleton	GFOA Conference - Hotel - Sheridan	8/20/2015	37145 \$	515.00
Laura Cummings	Air Fare Conference	10/22/2015	37373 \$	417.01
Laura Cummings	AWWA Conference - Hotel, Tolls, Meals	9/17/2015	37233 \$	695.00
LaPointe & Buono	G.E. Conference - Hotel - two rooms	8/20/2015	37067 \$	873.20
Kozakiewicz	AWWA Conference - Hotel	2/19/2015	36434 \$	416.00
Kozakiewicz	AWWA Conference Expenses	4/23/2015	36691 \$	304.80
Crawford	Air Fare & Hotel & Meals Conference	3/26/2015	36576 \$	896.20
Saskowitz	Waterborne Pathogens Conference - Hotel & Meals	5/21/2015	36777 \$	1,358.27
Maggio	Travel Expenses - Rutgers CFO Classes	5/21/2015	36797 \$	313.65

**AUTHORITY SCHEDULE OF COMMISSIONERS, OFFICERS, KEY  
EMPLOYEES, HIGHEST COMPENSATED EMPLOYEES AND  
INDEPENDENT CONTRACTORS**

**THE SOUTHEAST MORRIS COUNTY MUNICIPAL UTILITIES AUTHORITY**

**FISCAL YEAR: FROM JANUARY 1, 2016 TO DECEMBER 31, 2016**

*Complete the attached table for all persons required to be listed per #1-4 below.*

- 1) List all of the Authority's current commissioners and officers and amount of compensation from the Authority and any other public entities as defined below. Enter zero if no compensation was paid.
- 2) List all of the Authority's key employees and highest compensated employees other than a commissioner or officer as defined below and amount of compensation from the Authority and any other public entities.
- 3) List all of the Authority's former officers, key employees and highest compensated employees who received more than \$100,000 in reportable compensation from the Authority and any other public entities during the most recent fiscal year completed.
- 4) List all of the Authority's former commissioners who received more than \$10,000 in reportable compensation from the Authority and any other public entities during the most recent fiscal year completed.

**Commissioner:** A member of the governing body of the authority with voting rights. Include alternates for purposes of this schedule.

**Officer:** A person elected or appointed to manage the authority's daily operations at any time during the year, such as the chairperson, vice-chairperson, secretary, or treasurer. For the purposes of this schedule, treat the authority's top management official and top financial official as officers. A member of the governing body may be both a commissioner and an officer for the purposes of this schedule.

**Key employee:** An employee or independent contractor of the authority (other than a commissioner or officer) who meets both of the following criteria:

- a) The individual received reportable compensation from the authority and other public entities in excess of \$150,000 for the most recent fiscal year completed; and
- b) The individual has responsibilities or influence over the authority as a whole or has power to control or determine 10% or more of the authority's capital expenditures or operating budget.

**Highest compensated employee:** One of the five highest compensated employees or independent contractors of the authority other than current commissioners, officers, or key employees whose aggregate reportable compensation from the authority and other public entities is greater than \$100,000 for the most recent fiscal year completed.

**Compensation:** All forms of cash and non-cash payments or benefits provided in exchange for services, including salaries and wages, bonuses, severance payments, deferred payments, retirement benefits, fringe benefits, and other financial arrangements or transactions such as personal vehicles, meals, housing, personal and family education benefits, below-market loans, payment of personal or family travel, entertainment, and personal use of the Authority's property. Compensation includes payments and other benefits provided to both employees and independent contractors in exchange for services.

**Reportable compensation:** The aggregate compensation that is reported (or is required to be reported) on Form W-2, box 1 or 5, whichever amount is greater, and/or Form 1099-MISC, box 7, for the most recent calendar year ended 60 days before the start of the proposed budget year. For example, for fiscal years ending December 31, 2016, the calendar year 2014 W-2 and 1099 should be used (60 days prior to start of budget year is November 1, 2015, with 2014 being the most recent calendar year ended), and for fiscal years ending June 30, 2017, the calendar year 2015 W-2 and 1099 should be used (60 days prior to start of budget year is May 1, 2016, with 2015 being the most recent calendar year ended).

**Other Public Entity:** Any municipality, county, local authority, fire district, or other government unit, regardless of whether it is related in any way to the Authority either by function or by physical location.

**Authority Schedule of Commissioners, Officers, Key Employees, Highest Compensated Employees and Independent Contractors (Continued)**

For the Period **January 1, 2016** to **December 31, 2016**  
 The Southeast Morris County MUA

Name	Title	Average Hours per Week Dedicated to Position	Reportable Compensation from Authority (W-2/ 1099)					Estimated amount of other compensation from the Authority (health benefits, pension, etc.)	Total Compensation from Authority	Names of Other Public Entities where Individual is an Employee or Member of the Governing Body	Positions held at Other Public Entities Listed in Column D	Average Hours per Week Dedicated to Positions at Other Public Entities Listed in Column D	Reportable Compensation from Other Public Entities (W-2/ 1099)	Estimated amount of other compensation from Other Public Entities (health benefits, pension, payment in lieu of health benefits, etc.)	Total Compensation All Public Entities			
			Commissioner	Officer	Key Employee	Highest Compensated Employee	Former									Base Salary/ Stipend	Bonus	Other (auto allowance, expense account, payment in lieu of health benefits, etc.)
1 Nicholas Buono	CFO/Director	45		x				\$ 4,200	\$ 796	\$ 38,500	\$ 43,436	N/A	NONE	0	0	0	\$ 43,436	
2 Janice Congleton	Finance	45	x	x				105,565		27,750	133,315	N/A	NONE	0	0	0	133,315	
3 Laura Cummings	Executive Director/ Chief Engineer	55			x			145,100	5,000	7,284	12,300	169,684	N/A	NONE	0	0	0	169,684
4 Norm Hiler	Treatment and Pumping	50		X				102,676		648	30,200	133,524	N/A	NONE	0	0	0	133,524
5 Paul Kozakiewicz	Superintendent Transmission and	50		X				124,567		6,691	20,000	151,258		NONE	0	0	0	151,258
6 Glenn Ubertaccio	Distribution Attorney/Brd	50		X				111,570		-	12,250	123,820	N/A	NONE	0	0	0	123,820
7 Sidney Weiss	Secretary	35	X					125,417			125,417	N/A	NONE	0	0	0	125,417	
8 M. Dougherty	Board Member	1	x					1,500			1,500	N/A	NONE	0	0	0	1,500	
9 W. Conradi	Board Member	1	x					1,500			1,500	N/A	NONE	0	0	0	1,500	
10 D. Baldassarri	Board Member	1	x					1,500			1,500	N/A	NONE	0	0	0	1,500	
11 R. Carroll	Board Member	1	x					1,500			1,500	N/A	NONE	0	0	0	1,500	
12 D. Kissil	Board Member	1	x					1,500			1,500	N/A	NONE	0	-	-	1,500	
13 A. Schimpf	Board Member	1	x					1,500			1,500	N/A	NONE	0	-	-	1,500	
14 A. Johnson	Board Member	1	x					1,500			1,500	N/A	NONE	0	-	-	1,500	
15																		
<b>Total:</b>								<b>\$ 725,895</b>	<b>\$ 9,200</b>	<b>\$ 15,359</b>	<b>\$ 141,000</b>	<b>\$ 890,954</b>			<b>\$ -</b>	<b>\$ -</b>	<b>\$ 890,954</b>	

Enter the total number of employees/ independent contractors who received more than \$100,000 in total reportable compensation for the most recent fiscal year completed:

7



## Schedule of Health Benefits - Detailed Cost Analysis

The Southeast Morris County MUA  
For the Period January 1, 2016 to December 31, 2016

	# of Covered Members (Medical & Rx) Proposed Budget	Annual Cost Estimate per Employee Proposed Budget	Total Cost Estimate Proposed Budget	# of Covered Members (Medical & Rx) Current Year	Annual Cost per Employee Current Year	Total Current Year Cost	\$ Increase (Decrease)	% Increase (Decrease)
<b>Active Employees - Health Benefits - Annual Cost</b>								
Single Coverage	18	\$ 10,700	\$ 192,600	18	\$ 10,300	\$ 185,400	\$ 7,200	3.9%
Parent & Child	1	19,150	19,150	1	16,686	16,686	2,464	14.8%
Employee & Spouse (or Partner)	7	21,395	149,765	7	20,600	144,200	5,565	3.9%
Family	17	29,850	507,450	15	27,707	415,605	91,845	22.1%
Employee Cost Sharing Contribution (enter as negative -)			(193,986)			(186,391)	(7,595)	4.1%
<b>Subtotal</b>	<b>43</b>		<b>674,979</b>	<b>41</b>		<b>575,500</b>	<b>99,479</b>	<b>17.3%</b>
<b>Commissioners - Health Benefits - Annual Cost</b>								
Single Coverage	0	-	-	0	-	-	-	#DIV/0!
Parent & Child	0	-	-	0	-	-	-	#DIV/0!
Employee & Spouse (or Partner)	0	-	-	0	-	-	-	#DIV/0!
Family	0	-	-	0	-	-	-	#DIV/0!
Employee Cost Sharing Contribution (enter as negative -)			-			-	-	#DIV/0!
<b>Subtotal</b>	<b>0</b>		<b>-</b>	<b>0</b>		<b>-</b>	<b>-</b>	<b>#DIV/0!</b>
<b>Retirees - Health Benefits - Annual Cost</b>								
Single Coverage	7	6,195	43,365	7	6,188	43,316	49	0.1%
Parent & Child	0	-	-	0	-	-	-	#DIV/0!
Employee & Spouse (or Partner)	7	32,030	224,210	6	30,364	182,184	42,026	23.1%
Family	5	36,437	182,185	5	34,542	172,710	9,475	5.5%
Employee Cost Sharing Contribution (enter as negative -)			-			-	-	#DIV/0!
<b>Subtotal</b>	<b>19</b>		<b>449,760</b>	<b>18</b>		<b>398,210</b>	<b>51,550</b>	<b>12.9%</b>
<b>GRAND TOTAL</b>	<b>62</b>		<b>\$ 1,124,739</b>	<b>59</b>		<b>\$ 973,710</b>	<b>\$ 151,029</b>	<b>15.5%</b>

Is medical coverage provided by the SHBP (Yes or No)?

yes

Is prescription drug coverage provided by the SHBP (Yes or No)?

yes

## Schedule of Accumulated Liability for Compensated Absences

The Southeast Morris County MUA  
For the Period January 1, 2016 to December 31, 2016

Complete the below table for the Authority's accrued liability for compensated absences.

Individuals Eligible for Benefit	Gross Days of Accumulated Compensated Absences at beginning of Current Year	Dollar Value of Accrued Compensated Absence Liability	Legal Basis for Benefit (check applicable items)		
			Approved Labor Agreement	Resolution	Individual Employment Agreement
AHERN,P	112	\$ 11,182	x		
APPLEBY,J	30	1,981	x		
BARNHILL,J	42	3,884	x		
BONKOSKI	3	206	x		
BOUDREAU	200	23,916			x
BOZZA,A	85	7,087			x
BROWN,C	1	69	x		
BUONO,A	32	2,510	x		
BUONO,N	38	5,921			x
BURKE,T	5	489	x		
CULLEN, W	8	782	x		
DIAZ, S	9	656	x		
DORAN,T	3	269	x		
<b>Total liability for accumulated compensated absences at beginning of current year</b>		<b>\$ 58,952</b>			

≠ 234,857

## Schedule of Accumulated Liability for Compensated Absences

The Southeast Morris County MUA  
 For the Period January 1, 2016 to December 31, 2016

Complete the below table for the Authority's accrued liability for compensated absences.

Individuals Eligible for Benefit	Gross Days of Accumulated Compensated Absences at beginning of Current Year	Dollar Value of Accrued Compensated Absence Liability	Legal Basis for Benefit (check applicable items)		
			Approved Labor Agreement	Resolution	Individual Employment Agreement
DREW,S	4	\$ 420	x		
DWYER,D	0		x		
HART,W	4	368	x		
HENZE,P	7	557	x		
HILER, N	151	16,118	x		
KOYCE,S	7	515	x		
KOZAKIEWICZ,	51	10,395			x
LAGALANTE,L	198	18,169	x		
MINCHIN,E	11	884	x		
MUGGEO,C	13	1,116	x		
NAPOLITANO	3	207	x		
PELLEGRINO	5	404	x		
PEPE, A	18	1,243	x		
PITTENGER	24	2,151	x		
<b>Total liability for accumulated compensated absences at beginning of current year</b>		<b>\$ 52,547</b>			



## Schedule of Shared Service Agreements

The Southeast Morris County MUA  
 For the Period January 1, 2016 to December 31, 2016

*Enter the shared service agreements that the Authority currently engages in and identify the amount that is received/paid for those services.*

Name of Entity Providing Service	Name of Entity Receiving Service	Type of Shared Service Provided	Comments (Enter more specifics if needed)	Agreement Effective Date	Agreement End Date	Amount to be Received by/ Paid from Authority
SMCMUA	MCMUA	Supplying Water		6/1/2012	12/31/2021	\$ 504,400
SMCMUA	Borough of Wharton	Water Reserved and/or Supplied		9/1/2015	12/31/2040	\$ 29,417

**2016 AUTHORITY BUDGET**

**Financial Schedules Section**

## 2016 Budget Summary

### The Southeast Morris County MUA

For the Period January 1, 2016 to December 31, 2016

	<i>Proposed Budget</i>						<i>Adopted Budget</i>	<i>\$ Increase (Decrease) Proposed vs. Adopted</i>	<i>% Increase (Decrease) Proposed vs. Adopted</i>	
	Water	Operation #2	Operation #3	Operation #4	Operation #5	Operation #6	Total All Operations	Total All Operations	All Operations	All Operations
	<b>REVENUES</b>									
Total Operating Revenues	\$ 14,188,851	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,188,851	\$ 13,993,930	\$ 194,921	1.4%
Total Non-Operating Revenues	12,000	-	-	-	-	-	12,000	5,000	7,000	140.0%
Total Anticipated Revenues	<u>14,200,851</u>	-	-	-	-	-	<u>14,200,851</u>	<u>13,998,930</u>	<u>201,921</u>	1.4%
<b>APPROPRIATIONS</b>										
Total Administration	3,211,648	-	-	-	-	-	3,211,648	2,853,239	358,409	12.6%
Total Cost of Providing Services	8,182,178	-	-	-	-	-	8,182,178	8,044,317	137,861	1.7%
Total Principal Payments on Debt Service in Lieu of Depreciation	<u>1,026,530</u>	-	-	-	-	-	<u>1,026,530</u>	<u>986,457</u>	<u>40,073</u>	4.1%
Total Operating Appropriations	12,420,356	-	-	-	-	-	12,420,356	11,884,013	536,343	4.5%
Total Interest Payments on Debt	47,720	-	-	-	-	-	47,720	86,743	(39,023)	-45.0%
Total Other Non-Operating Appropriations	<u>2,474,000</u>	-	-	-	-	-	<u>2,474,000</u>	<u>2,515,257</u>	<u>(41,257)</u>	-1.6%
Total Non-Operating Appropriations	2,521,720	-	-	-	-	-	2,521,720	2,602,000	(80,280)	-3.1%
Accumulated Deficit	-	-	-	-	-	-	-	-	-	#DIV/0!
Total Appropriations and Accumulated Deficit	<u>14,942,076</u>	-	-	-	-	-	<u>14,942,076</u>	<u>14,486,013</u>	<u>456,063</u>	3.1%
Less: Total Unrestricted Net Position Utilized	<u>741,225</u>	-	-	-	-	-	<u>741,225</u>	<u>487,083</u>	<u>254,142</u>	52.2%
Net Total Appropriations	<u>14,200,851</u>	-	-	-	-	-	<u>14,200,851</u>	<u>13,998,930</u>	<u>201,921</u>	1.4%
<b>ANTICIPATED SURPLUS (DEFICIT)</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	#DIV/0!

## 2016 Revenue Schedule

The Southeast Morris County MUA  
For the Period January 1, 2016 to December 31, 2016

	Proposed Budget						Adopted Budget	\$ Increase (Decrease) Proposed vs. Adopted	% Increase (Decrease) Proposed vs. Adopted	
	Water	Operation					Total All Operations	Total All Operations	All Operations	All Operations
		#2	#3	#4	#5	#6				
<b>OPERATING REVENUES</b>										
<i>Service Charges</i>										
Residential	\$ 8,348,456					\$ 8,348,456	\$ 5,920,111	\$ 2,428,345	41.0%	
Business/Commercial	4,073,232					4,073,232	2,519,196	1,554,036	61.7%	
Industrial	930,516					930,516	4,156,673	(3,226,157)	-77.6%	
Intergovernmental	595,017					595,017	501,950	93,067	18.5%	
Other	6,630					6,630	669,000	(662,370)	-99.0%	
<b>Total Service Charges</b>	<b>13,953,851</b>					<b>13,953,851</b>	<b>13,766,930</b>	<b>186,921</b>	<b>1.4%</b>	
<i>Connection Fees</i>										
Residential						-	-	-	#DIV/0!	
Business/Commercial						-	-	-	#DIV/0!	
Industrial						-	-	-	#DIV/0!	
Intergovernmental						-	-	-	#DIV/0!	
Other						-	-	-	#DIV/0!	
<b>Total Connection Fees</b>						<b>-</b>	<b>-</b>	<b>-</b>	<b>#DIV/0!</b>	
<i>Parking Fees</i>										
Meters						-	-	-	#DIV/0!	
Permits						-	-	-	#DIV/0!	
Fines/Penalties						-	-	-	#DIV/0!	
Other						-	-	-	#DIV/0!	
<b>Total Parking Fees</b>						<b>-</b>	<b>-</b>	<b>-</b>	<b>#DIV/0!</b>	
<i>Other Operating Revenues (List)</i>										
Fines/Penalties	70,000					70,000	45,000	25,000	55.6%	
Wet Cut & Tap Fees	11,000					11,000	12,000	(1,000)	-8.3%	
Rents	104,000					104,000	110,000	(6,000)	-5.5%	
Misc. Income	50,000					50,000	60,000	(10,000)	-16.7%	
<b>Total Other Revenue</b>	<b>235,000</b>					<b>235,000</b>	<b>227,000</b>	<b>8,000</b>	<b>3.5%</b>	
<b>Total Operating Revenues</b>	<b>14,188,851</b>					<b>14,188,851</b>	<b>13,993,930</b>	<b>194,921</b>	<b>1.4%</b>	
<b>NON-OPERATING REVENUES</b>										
<i>Grants &amp; Entitlements (List)</i>										
Grant #1						-	-	-	#DIV/0!	
Grant #2						-	-	-	#DIV/0!	
Grant #3						-	-	-	#DIV/0!	
Grant #4						-	-	-	#DIV/0!	
<b>Total Grants &amp; Entitlements</b>						<b>-</b>	<b>-</b>	<b>-</b>	<b>#DIV/0!</b>	
<i>Local Subsidies &amp; Donations (List)</i>										
Local Subsidy #1						-	-	-	#DIV/0!	
Local Subsidy #2						-	-	-	#DIV/0!	
Local Subsidy #3						-	-	-	#DIV/0!	
Local Subsidy #4						-	-	-	#DIV/0!	
<b>Total Local Subsidies &amp; Donations</b>						<b>-</b>	<b>-</b>	<b>-</b>	<b>#DIV/0!</b>	
<i>Interest on Investments &amp; Deposits</i>										
Investments	12,000					12,000	5,000	7,000	140.0%	
Security Deposits						-	-	-	#DIV/0!	
Penalties						-	-	-	#DIV/0!	
Other Investments						-	-	-	#DIV/0!	
<b>Total Interest</b>	<b>12,000</b>					<b>12,000</b>	<b>5,000</b>	<b>7,000</b>	<b>140.0%</b>	
<i>Other Non-Operating Revenues (List)</i>										
Other Non-Operating #1						-	-	-	#DIV/0!	
Other Non-Operating #2						-	-	-	#DIV/0!	
Other Non-Operating #3						-	-	-	#DIV/0!	
Other Non-Operating #4						-	-	-	#DIV/0!	
<b>Total Non-Operating Revenues</b>						<b>-</b>	<b>-</b>	<b>-</b>	<b>#DIV/0!</b>	
<b>Total Non-Operating Revenues</b>	<b>12,000</b>					<b>12,000</b>	<b>5,000</b>	<b>7,000</b>	<b>140.0%</b>	
<b>TOTAL ANTICIPATED REVENUES</b>	<b>\$ 14,200,851</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 14,200,851</b>	<b>\$ 13,998,930</b>	<b>\$ 201,921</b>	<b>1.4%</b>	

\* All budget message for explanation of increases.



# 2015 Adopted Revenue Schedule

The Southeast Morris County MUA

	<i>Adopted Budget</i>						Total All Operations
	Water	Operation #2	Operation #3	Operation #4	Operation #5	Operation #6	
<b>OPERATING REVENUES</b>							
<i>Service Charges</i>							
Residential	\$ 5,920,111						\$ 5,920,111
Business/Commercial	2,519,196						2,519,196
Industrial	4,156,673						4,156,673
Intergovernmental	501,950						501,950
Other	669,000						669,000
Total Service Charges	13,766,930						13,766,930
<i>Connection Fees</i>							
Residential							-
Business/Commercial							-
Industrial							-
Intergovernmental							-
Other							-
Total Connection Fees							-
<i>Parking Fees</i>							
Meters							-
Permits							-
Fines/Penalties							-
Other							-
Total Parking Fees							-
<i>Other Operating Revenues (List)</i>							
Fines/Penalties	45,000						45,000
Wet Cut & Tap Application Fees	12,000						12,000
Rents	110,000						110,000
Misc Income	60,000						60,000
Total Other Revenue	227,000						227,000
Total Operating Revenues	13,993,930						13,993,930
<b>NON-OPERATING REVENUES</b>							
<i>Grants &amp; Entitlements (List)</i>							
Grant #1							-
Grant #2							-
Grant #3							-
Grant #4							-
Total Grants & Entitlements							-
<i>Local Subsidies &amp; Donations (List)</i>							
Local Subsidy #1							-
Local Subsidy #2							-
Local Subsidy #3							-
Local Subsidy #4							-
Total Local Subsidies & Donations							-
<i>Interest on Investments &amp; Deposits</i>							
Investments	5,000						5,000
Security Deposits							-
Penalties							-
Other Investments							-
Total Interest	5,000						5,000
<i>Other Non-Operating Revenues (List)</i>							
Other Non-Operating #1							-
Other Non-Operating #2							-
Other Non-Operating #3							-
Other Non-Operating #4							-
Other Non-Operating Revenues							-
Total Non-Operating Revenues	5,000						5,000
<b>TOTAL ANTICIPATED REVENUES</b>	<b>\$ 13,998,930</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 13,998,930</b>

## 2016 Appropriations Schedule

The Southeast Morris County MUA  
For the Period January 1, 2016 to December 31, 2016

	Proposed Budget					Adopted Budget			\$ Increase (Decrease)	% Increase (Decrease)
	Water	Operation		Operation #4	Operation #5	Total All Operations	Total All Operations	All Operations	Proposed vs. Adopted	Proposed vs. Adopted
		#2	Operation #3							
<b>OPERATING APPROPRIATIONS</b>										
<i>Administration - Personnel</i>										
Salary & Wages	\$ 1,556,528					\$ 1,556,528	\$ 1,233,216	\$ 323,312		26.2%
Fringe Benefits	690,592					690,592	572,553	118,039		20.6%
Total Administration - Personnel	2,247,120					2,247,120	1,805,769	441,351		24.4%
<i>Administration - Other (List)</i>										
Legal Services	144,200					144,200	166,600	(22,400)		-13.4%
Various Engineering & Consultants	96,000					96,000	75,000	21,000		28.0%
Financial Admin & Customer Service	260,200					260,200	310,200	(50,000)		-16.1%
It Services, Support, Phones Contracts	354,668					354,668	395,300	(40,632)		-10.3%
Miscellaneous Administration*	109,460					109,460	100,370	9,090		9.1%
Total Administration - Other	964,528					964,528	1,047,470	(82,942)		-7.9%
Total Administration	3,211,648					3,211,648	2,853,239	358,409		12.6%
<i>Cost of Providing Services - Personnel</i>										
Salary & Wages	2,196,526					2,196,526	2,345,279	(148,753)		-6.3%
Fringe Benefits	1,191,888					1,191,888	1,088,947	102,941		9.5%
Total COPS - Personnel	3,388,414					3,388,414	3,434,226	(45,812)		-1.3%
<i>Cost of Providing Services - Other (List)</i>										
Purchased Water	1,323,000					1,323,000	1,197,000	126,000		10.5%
Energy & Fuel Costs	1,173,240					1,173,240	1,139,000	34,240		3.0%
Treatment & Testing Chemicals & Equipment	990,114					990,114	980,592	9,522		1.0%
Taxes, Insurance, State Fees	780,800					780,800	780,000	800		0.1%
Miscellaneous COPS*	526,610					526,610	513,499	13,111		2.6%
Total COPS - Other	4,793,764					4,793,764	4,610,091	183,673		4.0%
Total Cost of Providing Services	8,182,178					8,182,178	8,044,317	137,861		1.7%
Total Principal Payments on Debt Service in Lieu of Depreciation	1,026,530					1,026,530	986,457	40,073		4.1%
Total Operating Appropriations	12,420,356					12,420,356	11,884,013	536,343		4.5%
<b>NON-OPERATING APPROPRIATIONS</b>										
Total Interest Payments on Debt	47,720					47,720	86,743	(39,023)		-45.0%
Operations & Maintenance Reserve										#DIV/0!
Renewal & Replacement Reserve	2,474,000					2,474,000	2,515,257	(41,257)		-1.6%
Municipality/County Appropriation										#DIV/0!
Other Reserves										#DIV/0!
Total Non-Operating Appropriations	2,521,720					2,521,720	2,602,000	(80,280)		-3.1%
<b>TOTAL APPROPRIATIONS</b>	14,942,076					14,942,076	14,486,013	456,063		3.1%
<b>ACCUMULATED DEFICIT</b>										
										#DIV/0!
<b>TOTAL APPROPRIATIONS &amp; ACCUMULATED DEFICIT</b>	14,942,076					14,942,076	14,486,013	456,063		3.1%
<b>UNRESTRICTED NET POSITION UTILIZED</b>										
Municipality/County Appropriation										#DIV/0!
Other	741,225					741,225	487,083	254,142		52.2%
Total Unrestricted Net Position Utilized	741,225					741,225	487,083	254,142		52.2%
<b>TOTAL NET APPROPRIATIONS</b>	\$ 14,200,851	\$ -	\$ -	\$ -	\$ -	\$ 14,200,851	\$ 13,998,930	\$ 201,921		1.4%

\* Miscellaneous line items may not exceed 5% of total operating appropriations shown below. If amount in miscellaneous is greater than the amount shown below, then the line item must be itemized above.

5% of Total Operating Appropriations \$ 621,017.80 \$ - \$ - \$ - \$ - \$ 621,017.80

# 2015 Adopted Appropriations Schedule

## The Southeast Morris County MUA

	Adopted Budget					Total All Operations
	Water	Operation #2	Operation #3	Operation #4	Operation #5	
<b>OPERATING APPROPRIATIONS</b>						
<i>Administration - Personnel</i>						
Salary & Wages	\$ 1,233,216	—	OK	-	-	\$ 1,233,216
Fringe Benefits	572,553	-	-	-	-	572,553
Total Administration - Personnel	1,805,769	-	-	-	-	1,805,769
<i>Administration - Other (List)</i>						
Legal Services	166,600	-	-	-	-	166,600
Various Engineering & Consultants	75,000	-	-	-	-	75,000
Financial Admin & Customer Service	310,200	-	OK	-	-	310,200
It Services, Support, Phones Contracts	395,300	-	-	-	-	395,300
Miscellaneous Administration*	100,370	-	-	-	-	100,370
Total Administration - Other	1,047,470	-	-	-	-	1,047,470
Total Administration	2,853,239	-	-	-	-	2,853,239
<i>Cost of Providing Services - Personnel</i>						
Salary & Wages	2,345,279	-	OK	-	-	2,345,279
Fringe Benefits	1,088,947	-	-	-	-	1,088,947
Total COPS - Personnel	3,434,226	-	-	-	-	3,434,226
<i>Cost of Providing Services - Other (List)</i>						
Purchased Water	1,197,000	-	-	-	-	1,197,000
Energy & fuel Costs	1,139,000	-	-	-	-	1,139,000
Treatment & Testing Chemicals & Equipment	980,592	-	OK	-	-	980,592
Taxes, Insurance, State Fees	780,000	-	-	-	-	780,000
Miscellaneous COPS*	513,499	-	-	-	-	513,499
Total COPS - Other	4,610,091	-	-	-	-	4,610,091
Total Cost of Providing Services	8,044,317	-	-	-	-	8,044,317
Total Principal Payments on Debt Service in Lieu of Depreciation	986,457	-	-	-	-	986,457
Total Operating Appropriations	11,884,013	-	-	-	-	11,884,013
<b>NON-OPERATING APPROPRIATIONS</b>						
Total Interest Payments on Debt	86,743	-	-	-	-	86,743
Operations & Maintenance Reserve	-	-	OK	-	-	-
Renewal & Replacement Reserve	2,515,257	-	-	-	-	2,515,257
Municipality/County Appropriation	-	-	-	-	-	-
Other Reserves	-	-	-	-	-	-
Total Non-Operating Appropriations	2,602,000	-	-	-	-	2,602,000
<b>TOTAL APPROPRIATIONS</b>	14,486,013	-	-	-	-	14,486,013
<b>ACCUMULATED DEFICIT</b>	-	-	-	-	-	-
<b>TOTAL APPROPRIATIONS &amp; ACCUMULATED DEFICIT</b>	14,486,013	-	-	-	-	14,486,013
<b>UNRESTRICTED NET POSITION UTILIZED</b>						
Municipality/County Appropriation	-	-	OK	-	-	-
Other	487,083	-	-	-	-	487,083
Total Unrestricted Net Position Utilized	487,083	-	-	-	-	487,083
<b>TOTAL NET APPROPRIATIONS</b>	\$ 13,998,930	\$ -	\$ -	\$ -	\$ -	\$ 13,998,930

\* Miscellaneous line items may not exceed 5% of total operating appropriations shown below. If amount in miscellaneous is greater than the amount shown below, then the line item must be itemized above.

5% of Total Operating Appropriations	\$ 594,200.65	\$ -	\$ -	\$ -	\$ -	\$ 594,200.65
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## 5 Year Debt Service Schedule - Principal

### The Southeast Morris County MUA

	Current Year (2015)	Fiscal Year Beginning in							Total Principal Outstanding	
		2016	2017	2018	2019	2020	2021	Thereafter		
<i>Water</i>										
Improvement Bond	\$ 985,000	\$ 1,025,000								\$ 1,025,000
Purchase of Authority Rights	1,457	1,530	1,606	1,686	1,771	1,856	1,952	559,008		569,409
Debt Issuance #3										-
Debt Issuance #4										-
Total Principal	<u>986,457</u>	<u>1,026,530</u>	<u>1,606</u>	<u>1,686</u>	<u>1,771</u>	<u>1,856</u>	<u>1,952</u>	<u>559,008</u>		<u>1,594,409</u>
<i>Operation #2</i>										
Debt Issuance #1										-
Debt Issuance #2										-
Debt Issuance #3										-
Debt Issuance #4										-
Total Principal	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>		<u>-</u>
<i>Operation #3</i>										
Debt Issuance #1										-
Debt Issuance #2										-
Debt Issuance #3										-
Debt Issuance #4										-
Total Principal	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>		<u>-</u>
<i>Operation #4</i>										
Debt Issuance #1										-
Debt Issuance #2										-
Debt Issuance #3										-
Debt Issuance #4										-
Total Principal	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>		<u>-</u>
<i>Operation #5</i>										
Debt Issuance #1										-
Debt Issuance #2										-
Debt Issuance #3										-
Debt Issuance #4										-
Total Principal	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>		<u>-</u>
<i>Operation #6</i>										
Debt Issuance #1										-
Debt Issuance #2										-
Debt Issuance #3										-
Debt Issuance #4										-
Total Principal	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>		<u>-</u>
<b>TOTAL PRINCIPAL ALL OPERATIONS</b>	<u>\$ 986,457</u>	<u>\$ 1,026,530</u>	<u>\$ 1,606</u>	<u>\$ 1,686</u>	<u>\$ 1,771</u>	<u>\$ 1,856</u>	<u>\$ 1,952</u>	<u>\$ 559,008</u>		<u>\$ 1,594,409</u>

Indicate the Authority's most recent bond rating and the year of the rating by ratings service.

	<u>Moody's</u>	<u>Fitch</u>	<u>Standard &amp; Poors</u>
Bond Rating	Aa2		
Year of Last Rating	2010		

## 5 Year Debt Service Schedule - Interest

The Southeast Morris County MUA

	<i>Fiscal Year Beginning in</i>								Total Interest Payments Outstanding	
	Current Year (2015)	2016	2017	2018	2019	2020	2021	Thereafter		
<i>Water</i>										
Improvement Bond	\$ 58,200	\$ 19,250 ✓								\$ 19,250
Purchase of Authority Rights	28,543	28,470	28,394	28,314	28,229	28,141	28,048	193,310		362,906
Debt Issuance #3										-
Debt Issuance #4										-
Total Interest Payments	86,743	47,720	28,394	28,314	28,229	28,141	28,048	193,310		382,156
<i>Operation #2</i>										
Debt Issuance #1										-
Debt Issuance #2										-
Debt Issuance #3										-
Debt Issuance #4										-
Total Interest Payments	-	-	-	-	-	-	-	-		-
<i>Operation #3</i>										
Debt Issuance #1										-
Debt Issuance #2										-
Debt Issuance #3										-
Debt Issuance #4										-
Total Interest Payments	-	-	-	-	-	-	-	-		-
<i>Operation #4</i>										
Debt Issuance #1										-
Debt Issuance #2										-
Debt Issuance #3										-
Debt Issuance #4										-
Total Interest Payments	-	-	-	-	-	-	-	-		-
<i>Operation #5</i>										
Debt Issuance #1										-
Debt Issuance #2										-
Debt Issuance #3										-
Debt Issuance #4										-
Total Interest Payments	-	-	-	-	-	-	-	-		-
<i>Operation #6</i>										
Debt Issuance #1										-
Debt Issuance #2										-
Debt Issuance #3										-
Debt Issuance #4										-
Total Interest Payments	-	-	-	-	-	-	-	-		-
<b>TOTAL INTEREST ALL OPERATIONS</b>	<b>\$ 86,743</b>	<b>\$ 47,720</b>	<b>\$ 28,394</b>	<b>\$ 28,314</b>	<b>\$ 28,229</b>	<b>\$ 28,141</b>	<b>\$ 28,048</b>	<b>\$ 193,310</b>		<b>\$ 382,156</b>

## 2016 Net Position Reconciliation

The Southeast Morris County MUA  
For the Period January 1, 2016 to December 31, 2016

*Proposed Budget*

	Water	Operation #2	Operation #3	Operation #4	Operation #5	Operation #6	Total All Operations
<b>TOTAL NET POSITION BEGINNING OF CURRENT YEAR (1)</b>	\$ 73,272,677						\$ 73,272,677
Less: Invested in Capital Assets, Net of Related Debt (1)	61,235,201						61,235,201
Less: Restricted for Debt Service Reserve (1)	3,609,043						3,609,043
Less: Other Restricted Net Position (1)							-
Total Unrestricted Net Position (1)	8,428,433	-	-	-	-	-	8,428,433
Less: Designated for Non-Operating Improvements & Repairs							-
Less: Designated for Rate Stabilization							-
Less: Other Designated by Resolution							-
Plus: Accrued Unfunded Pension Liability (1)							-
Plus: Accrued Unfunded Other Post-Employment Benefit Liability (1)							-
Plus: Estimated Income (Loss) on Current Year Operations (2)							-
Plus: Other Adjustments (attach schedule)							-
<b>UNRESTRICTED NET POSITION AVAILABLE FOR USE IN PROPOSED BUDGET</b>	8,428,433	-	-	-	-	-	8,428,433
Unrestricted Net Position Utilized to Balance Proposed Budget	741,225	-	-	-	-	-	741,225
Unrestricted Net Position Utilized in Proposed Capital Budget	3,286,200	-	-	-	-	-	3,286,200
Appropriation to Municipality/County (3)							-
Total Unrestricted Net Position Utilized in Proposed Budget	4,027,425	-	-	-	-	-	4,027,425
<b>PROJECTED UNRESTRICTED UNDESIGNATED NET POSITION AT END OF YEAR (4)</b>	\$ 4,401,008	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,401,008

(1) Total of all operations for this line item must agree to audited financial statements.

(2) Include budgeted and unbudgeted use of unrestricted net position in the current year's operations.

(3) Amount may not exceed 5% of total operating appropriations. See calculation below.

Maximum Allowable Appropriation to Municipality/County      \$ 621,018    \$ -    \$ -    \$ -    \$ -    \$ -    \$ 621,018

(4) If Authority is projecting a deficit for any operation at the end of the budget period, the Authority must attach a statement explaining its plan to reduce the deficit, including the timeline for elimination of the deficit, if not already detailed in the budget narrative section.

2016

THE SOUTHEAST MORRIS COUNTY  
MUNICIPAL UTILITIES AUTHORITY

**AUTHORITY**  
**CAPITAL**  
**BUDGET/**  
**PROGRAM**

**2016 CERTIFICATION OF AUTHORITY CAPITAL BUDGET/PROGRAM**

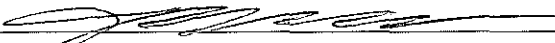
**THE SOUTHEAST MORRIS COUNTY MUNICIPAL UTILITIES AUTHORITY**

**FISCAL YEAR: FROM JANUARY 1, 2016 TO DECEMBER 31, 2016**

It is hereby certified that the Authority Capital Budget/Program annexed hereto is a true copy of the Capital Budget/Program approved, pursuant to N.J.A.C. 5:31-2.2, along with the Annual Budget, by the governing body of The Southeast Morris County Municipal Utilities Authority, on the 22nd day of October, 2014.

**OR**

It is hereby certified that the governing body of the \_\_\_\_\_ Authority have elected **NOT** to adopt a Capital Budget /Program for the aforesaid fiscal year, pursuant to N.J.A.C. 5:31-2.2 for the following reason(s): \_\_\_\_\_

Officer's Signature:			
Name:	Sidney D. Weiss		
Title:	Assistant Secretary		
Address:	19 Saddle Road Cedar Knolls, NJ 07927		
Phone Number:	973-326-7234	Fax Number:	973-326-9521
E-mail address	sdweiss@smcmua.org		





## 2016 CAPITAL BUDGET/PROGRAM MESSAGE

### THE SOUTHEAST MORRIS COUNTY MUNICIPAL UTILITIES AUTHORITY

FISCAL YEAR: FROM JANUARY 1, 2016 TO DECEMBER 31, 2016

1. Has each municipality or county affected by the actions of the authority participated in the development of the capital plan and reviewed or approved the plans or projects included within the Capital Budget/Program?

Representatives on the Board from each affected municipality have reviewed and approved the plans and projects included within the Capital Improvement Plan.

2. Has each capital project/project financing been developed from a specific capital improvement plan or report; does it include full lifecycle costs; and is it consistent with appropriate elements of Master Plans or other plans in the jurisdiction(s) served by the authority?

The Authority plans to be debt free as of the end of 2016. Capital project financing and planning are based on the needs of the Authority and its jurisdictions as served, as well as the ability to cover costs through unrestricted funds. The Authority is notified by the County or the governing municipalities when projects are approved that will affect the water infrastructure needs and location.

3. Has a long-term (10-20 years) infrastructure needs assessment or other capital plan with a horizon beyond six years been prepared?

The Master Plan for the Authority was last updated in 2006 with improvement and project plans through 2016. An annual report is conducted by the consulting engineers on the operation and maintenance of the water system. An update of the Master Plan and the IT Services Master Plan is part of the Capital Budget for 2016.

4. Describe the projected impact of the proposed capital projects, including impact on the schedule of rates, fees, and service charges and the impact on current and future year's schedules.

Capital projects are currently funded in full by the Authority. In order to avoid the need to borrow for capital expenditures, a 2% rate increase is planned for 2016, and other rate increases ranging from 2% to 3% are anticipated for 2017 through 2020.

5. Please indicate which capital projects/project financings are being undertaken in the Metropolitan or Suburban Planning Areas as defined in the State Development and Redevelopment Plan.

Not applicable.

6. Please indicate which capital projects/project financings are being undertaken within the boundary of a State Planning Commission-designated Center and/or Endorsed Plan and if the project was included in the Plan Implementation Agenda for that Center/Endorsed Plan.

Not applicable.

**SMCMUA  
CAPITAL BUDGET AND 5 YEAR CAPITAL PLAN**

CATEGORY AND DESCRIPTION	2016	2017	2018	2019	2020	2021	TOTAL
<b>ENGINEERING</b>							
Water Supply Master Plan Update	\$ 100,000					\$ 75,000	\$ 175,000
Littleton Well Exploration	\$ 25,000						\$ 25,000
Subtotal	\$ 125,000					\$ 75,000	\$ 200,000
<b>INFORMATION TECHNOLOGY</b>							
IT Master Plan						\$ 75,000	\$ 75,000
Software	\$ 115,000	\$ 170,000	\$ 250,000	\$ 225,000	\$ 150,000	\$ 75,000	\$ 985,000
Business Systems	\$ 20,000	\$ 70,000		\$ 25,000	\$ 25,000		\$ 140,000
AMR Infrastructure Improvements	\$ 15,000	\$ 50,000				\$ 50,000	\$ 115,000
SCADA and Security	\$ 197,500	\$ 62,500	\$ 62,500	\$ 62,500	\$ 62,500	\$ 62,500	\$ 510,000
Subtotal	\$ 347,500	\$ 352,500	\$ 312,500	\$ 312,500	\$ 237,500	\$ 262,500	\$ 1,825,000
<b>FACILITY IMPROVEMENTS</b>							
Buildings, Grounds and Furniture	\$ 50,000	\$ 85,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 335,000
Headquarters - Facility Upgrade Design	\$ 130,000						\$ 130,000
Headquarters - Facility Upgrade Phased Construction	\$ 300,000	\$ 1,000,000					\$ 1,300,000
Safety Equipment	\$ 25,000					\$ 25,000	\$ 50,000
Security Equipment	\$ 30,000		\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 150,000
Subtotal	\$ 535,000	\$ 1,085,000	\$ 80,000	\$ 80,000	\$ 80,000	\$ 105,000	\$ 1,965,000
<b>METERS AND SERVICES</b>							
Automatic Meter Reading Equipment	\$-	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000	\$ 300,000
Meters	\$ 22,000	\$ 22,000	\$ 22,000	\$ 22,000	\$ 29,000	\$ 29,000	\$ 146,000
Residential Meter Pits	\$ 13,000	\$ 13,000	\$ 13,000	\$ 13,000	\$ 13,000	\$ 13,000	\$ 78,000
Production and Bulk Meters	\$ 22,500	\$ 7,500	\$ 2,500				\$ 32,500
Subtotal	\$ 57,500	\$ 102,500	\$ 97,500	\$ 95,000	\$ 102,000	\$ 102,000	\$ 556,500
<b>TRANSMISSION AND DISTRIBUTION</b>							
Main Rehabilitation and Replacement: Design, Construction and Construction	\$ 300,000	\$ 440,000	\$ 470,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 2,710,000
System Improvements	\$ 109,000	\$ 109,000	\$ 109,000	\$ 109,000	\$ 109,000	\$ 109,000	\$ 654,000
Storage Tank Rehabilitation, Site Improvements and Inspection Services	\$ 1,050,000	\$ 815,000	\$ 615,000	\$ 515,000	\$ 515,000	\$ 515,000	\$ 4,025,000
Field Inspection Equipment	\$ 25,000					\$ 25,000	\$ 50,000
Subtotal	\$ 1,484,000	\$ 1,364,000	\$ 1,194,000	\$ 1,124,000	\$ 1,124,000	\$ 1,149,000	\$ 7,439,000
<b>TREATMENT AND PUMPING</b>							
Electrical Design Services	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 120,000
Pumps, Motors, Control Valves, etc.	\$ 98,500	\$ 85,000	\$ 70,000	\$ 65,000	\$ 65,000	\$ 65,000	\$ 448,500
Clyde Potts Dam and Reservoir Improvements	\$ 75,000	-	-	-	-	-	\$ 75,000
Process Improvements	\$ 335,000	\$ 500,000	\$ 402,500	\$ 2,475,000	\$ 2,850,000	\$ 250,000	\$ 6,812,500
Emergency Power: Design and Construction	-	-	\$ 660,000	-	-	-	\$ 660,000
Water Quality Monitoring Stations	\$ 40,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 165,000
Subtotal	\$ 568,500	\$ 630,000	\$ 1,177,500	\$ 2,585,000	\$ 2,960,000	\$ 360,000	\$ 8,281,000
<b>VEHICLES</b>							
Vans, SUVs and Pickup Trucks	\$ 85,000	\$ 50,000	\$ 80,000	\$ 80,000	\$ 50,000	\$ 50,000	\$ 395,000
Subtotal	\$ 85,000	\$ 50,000	\$ 80,000	\$ 80,000	\$ 50,000	\$ 50,000	\$ 395,000
<b>EQUIPMENT</b>							
Equipment, Mason/Dump Trucks, Backhoes, etc.	\$ 83,700	\$-	\$ 80,000	\$-	\$ 75,000	\$ 75,000	\$ 313,700
Subtotal	\$ 83,700	\$-	\$ 80,000	\$-	\$ 75,000	\$ 75,000	\$ 313,700
<b>TOTAL</b>	<b>\$ 3,286,200</b>	<b>\$ 3,584,000</b>	<b>\$ 3,021,500</b>	<b>\$ 4,276,500</b>	<b>\$ 4,628,500</b>	<b>\$ 2,178,500</b>	<b>\$ 20,975,200</b>

# 2016 Proposed Capital Budget

## The Southeast Morris County MUA

For the Period January 1, 2016 to December 31, 2016

	Estimated Total Cost	Funding Sources				
		Unrestricted Net Position Utilized	Renewal & Replacement Reserve	Debt Authorization	Capital Grants	Other Sources
<i>Water</i>						
See Attached Schedule	\$ 3,286,200	\$ 3,286,200				
Project B Description	-					
Project C Description	-					
Project D Description	-					
Total	3,286,200	3,286,200	-	-	-	-
<i>Operation #2</i>						
Project A Description	-					
Project B Description	-					
Project C Description	-					
Project D Description	-					
Total	-	-	-	-	-	-
<i>Operation #3</i>						
Project A Description	-					
Project B Description	-					
Project C Description	-					
Project D Description	-					
Total	-	-	-	-	-	-
<i>Operation #4</i>						
Project A Description	-					
Project B Description	-					
Project C Description	-					
Project D Description	-					
Total	-	-	-	-	-	-
<i>Operation #5</i>						
Project A Description	-					
Project B Description	-					
Project C Description	-					
Project D Description	-					
Total	-	-	-	-	-	-
<i>Operation #6</i>						
Project A Description	-					
Project B Description	-					
Project C Description	-					
Project D Description	-					
Total	-	-	-	-	-	-
<b>TOTAL PROPOSED CAPITAL BUDGET</b>	<b>\$ 3,286,200</b>	<b>\$ 3,286,200</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Enter brief description of up to four projects for each operation above. For operations with more than four budgeted projects, please attach additional schedules. Input total amount of all projects for the operation on single line and enter "See Attached Schedule" instead of project description.

## 5 Year Capital Improvement Plan

The Southeast Morris County MUA							
For the Period	January 1, 2016	to	December 31, 2016				
Estimated Total Cost	<i>Fiscal Year Beginning in</i>						
	Current Year Proposed Budget	2017	2018	2019	2020	2021	2021
<i>Water</i>							
See Attached Schedule	\$ 20,975,200	\$ 3,286,200	\$ 3,584,000	\$ 3,021,500	\$ 4,276,500	\$ 4,628,500	\$ 2,178,500
Project B Description	-	-	-	-	-	-	-
Project C Description	-	-	-	-	-	-	-
Project D Description	-	-	-	-	-	-	-
Total	20,975,200	3,286,200	3,584,000	3,021,500	4,276,500	4,628,500	2,178,500
<i>Operation #2</i>							
Project A Description	-	-	-	-	-	-	-
Project B Description	-	-	-	-	-	-	-
Project C Description	-	-	-	-	-	-	-
Project D Description	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-
<i>Operation #3</i>							
Project A Description	-	-	-	-	-	-	-
Project B Description	-	-	-	-	-	-	-
Project C Description	-	-	-	-	-	-	-
Project D Description	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-
<i>Operation #4</i>							
Project A Description	-	-	-	-	-	-	-
Project B Description	-	-	-	-	-	-	-
Project C Description	-	-	-	-	-	-	-
Project D Description	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-
<i>Operation #5</i>							
Project A Description	-	-	-	-	-	-	-
Project B Description	-	-	-	-	-	-	-
Project C Description	-	-	-	-	-	-	-
Project D Description	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-
<i>Operation #6</i>							
Project A Description	-	-	-	-	-	-	-
Project B Description	-	-	-	-	-	-	-
Project C Description	-	-	-	-	-	-	-
Project D Description	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>\$ 20,975,200</b>	<b>\$ 3,286,200</b>	<b>\$ 3,584,000</b>	<b>\$ 3,021,500</b>	<b>\$ 4,276,500</b>	<b>\$ 4,628,500</b>	<b>\$ 2,178,500</b>

*Project descriptions entered on Page CB-3 will carry forward to Pages CB-4 and CB-5. No need to re-enter project descriptions above.*

# 5 Year Capital Improvement Plan Funding Sources

## The Southeast Morris County MUA

For the Period January 1, 2016 to December 31, 2016

	<i>Funding Sources</i>				
	Estimated Total Cost	Unrestricted Net Position Utilized	Renewal & Replacement Reserve	Debt Authorization	Capital Grants Other Sources
<i>Water</i>					
See Attached Schedule	\$ 20,975,200	\$ 20,975,200			
Project B Description	-				
Project C Description	-				
Project D Description	-				
Total	20,975,200	20,975,200	-	-	-
<i>Operation #2</i>					
Project A Description	-				
Project B Description	-				
Project C Description	-				
Project D Description	-				
Total	-	-	-	-	-
<i>Operation #3</i>					
Project A Description	-				
Project B Description	-				
Project C Description	-				
Project D Description	-				
Total	-	-	-	-	-
<i>Operation #4</i>					
Project A Description	-				
Project B Description	-				
Project C Description	-				
Project D Description	-				
Total	-	-	-	-	-
<i>Operation #5</i>					
Project A Description	-				
Project B Description	-				
Project C Description	-				
Project D Description	-				
Total	-	-	-	-	-
<i>Operation #6</i>					
Project A Description	-				
Project B Description	-				
Project C Description	-				
Project D Description	-				
Total	-	-	-	-	-
<b>TOTAL</b>	<b>\$ 20,975,200</b>	<b>\$ 20,975,200</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Total 5 Year Plan per CB-4	<u>\$ 20,975,200</u>				
Balance check		- If amount is other than zero, verify that projects listed above match projects listed on CB-4.			

Project descriptions entered on Page CB-3 will carry forward to Pages CB-4 and CB-5. No need to re-enter project descriptions above.