

State of New Jersey
Department of Community Affairs
Division of Local Government Services
ADOPTED AUTHORITY BUDGET
ADOPTED BUDGET TRANSMITTAL PACKAGE

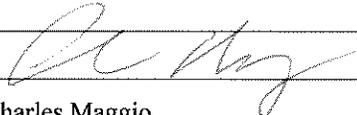
Submit all budget related materials in one package to: *Bureau of Authority Regulation Affairs, Division of Local Government Services, 101 South Broad Street, P.O. Box 803, Trenton, NJ 08625-0803.* Check the box of each item to indicate that it is included in budget or has been completed.

Adopted Authority Budget Document

- 2 copies of the Adopted budget document submitted that includes all pages completed
- All items on the **Introduced** Budget Transmittal Package completed and included
- Page C-6 Signed with Manual Signature along with title, address, e-mail address, phone number and fax number.
- Page C-7 Resolution of the Authority governing body approving the introduced budget is enclosed with recorded vote
Note: Aye Votes must total a majority of the full membership of the governing body (Not including Alternates in total)

PDF of Adopted Budget (All pages)

- Submit a pdf copy of the budget package (Adopted) to authoritiesunit@dca.nj.gov with the name of the authority in the **subject line along with wording Adopted Budget.**

| | | | |
|-----------------------|---|-------------|--------------|
| Official's Signature: |  | | |
| Name: | Charles Maggio | | |
| Title: | Chief Financial Officer/Treasurer | | |
| Address: | 19 Saddle Rd. Cedar Knolls, NJ 07927 | | |
| Phone Number: | 973-326-6863 | Fax Number: | 973-326-6808 |
| E-mail address: | cmaggio@smcmua.org | | |

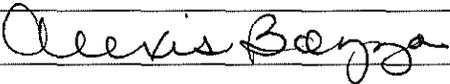
2020 (2020-2021) ADOPTION CERTIFICATION

THE SOUTHEAST MORRIS COUNTY MUNICIPAL UTILITIES AUTHORITY

AUTHORITY BUDGET

FISCAL YEAR: FROM: January 1, 2020 **TO:** December 31, 2020

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 19th day of, December, 2019.

| | | | |
|----------------------|--|-------------|--------------|
| Officer's Signature: |  | | |
| Name: | Alexis Bozza | | |
| Title: | Assistant Secretary | | |
| Address: | 19 Saddle Rd Cedar Knolls, NJ 07927 | | |
| Phone Number: | 973-326-6867 | Fax Number: | 973-356-9521 |
| E-mail address | abozza@smcmua.org | | |

2020 (2020-2021) ADOPTED BUDGET RESOLUTION

THE SOUTHEAST MORRIS COUNTY MUNICIPAL UTILITIES AUTHORITY

FISCAL YEAR: **FROM:** January 1, 2020 **TO:** December 31, 2020

WHEREAS, the Annual Budget and Capital Budget/Program for The Southeast Morris County Municipal Utilities Authority for the fiscal year beginning January 1, 2020 and ending, December 31, 2020 has been presented for adoption before the governing body of The Southeast Morris County Municipal Utilities Authority at its open public meeting of December 19, 2019; and

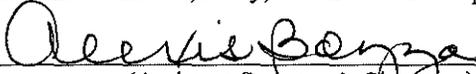
WHEREAS, the Annual Budget and Capital Budget as presented for adoption reflects each item of revenue and appropriation in the same amount and title as set forth in the introduced and approved budget, including all amendments thereto, if any, which have been approved by the Director of the Division of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

WHEREAS, the Annual Budget as presented for adoption reflects Total Revenues of \$16,695,842, Total Appropriations, including any Accumulated Deficit if any, of \$16,559,200 and Total Unrestricted Net Position utilized of (\$136,642); and

WHEREAS, the Capital Budget as presented for adoption reflects Total Capital Appropriations of \$5,217,039 and Total Unrestricted Net Position planned to be utilized as funding thereof, of \$5,217,039; 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 19, 2019 that the Annual Budget and Capital Budget/Program of The Southeast Morris County Municipal Utilities Authority for the fiscal year beginning January 1, 2020 and, ending, December 31, 2020 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 19, 2019

(Date)

Governing Body Member:

| | Recorded Vote | | | |
|-----------------------------|---------------|-----|---------|--------|
| | Aye | Nay | Abstain | Absent |
| Baldassari, Dennis | X | | | |
| Chumer, Michael | X | | | |
| Doherty, John ("Jack")* | | | | X |
| Dougherty, Mary | X | | | |
| Iannaccone, Saverio ("Sal") | X | | | |
| Kissil, Donald | X | | | |
| Rotando, Ralph | X | | | |
| Schimpf, Adolf | X | | | |

*Deceased (December 5, 2019)



Resolution No. 113-19

RESOLUTION APPROVING REVISED SCHEDULES OF SERVICE CHARGES

WHEREAS, the Authority's Executive Director and Chief Financial Officer have prepared a study which recommends the adoption of certain rate revisions to the Authority's Rules and Regulations for Water Service ("Tariff"); and

WHEREAS, the proposed revised rates are required to generate sufficient revenues for the Authority to meet its expenses, six-year Capital Improvement Plan and other obligations; and

WHEREAS, the Authority is required by law to hold a public hearing on the aforesaid rate revisions; and

WHEREAS, notice of a public hearing and the revised schedules of service charges were published in the Daily Record on November 29, 2019 and the Star Ledger on November 28, 2019, as required by law; and

WHEREAS, notice of the proposed revised service charges was served upon the municipal clerk of each municipality serviced by the Authority within the time permitted by law; and

WHEREAS, a public hearing on the proposed revised schedule of service charges was held by the Authority on December 19, 2019, as required by law; and

WHEREAS, extensive testimony was presented in support of the proposed revised rates and opportunity was provided to the public to question witnesses and comment thereon; and

WHEREAS, the proposed rate revisions are found to be just and reasonable and reasonably necessary to promote the purposes of the Authority; and

WHEREAS, the Authority finds it to be in the best interest of the water system and the public interest to adopt the proposed revised schedules of service charges.

Board Members

Morristown:

Mary E. Dougherty
Donald Kissil

Morris Township:

Dennis Baldassari
Michael Chumer, Ph.D.

Morris Plains:

Jack Doherty
Ralph R. Rotando

Hanover Township:

Saverio C. Iannaccone
Adolf Schimpf, Ph.D.

Executive Director: Laura Cummings, P.E.

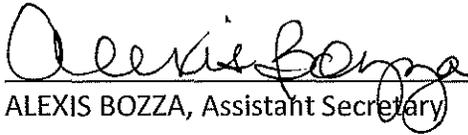
Superintendent: Kenneth A. Crawford, C.P.W.M.

NOW, THEREFORE, BE IT RESOLVED by The Southeast Morris County Municipal Utilities Authority as follows:

1. The revised schedules of service charges set forth in Exhibit "A" annexed hereto be and are hereby approved and adopted.
2. The revised schedules of service charges shall be effective for bills rendered on and after January 1, 2020.

ATTEST:

THE SOUTHEAST MORRIS COUNTY
MUNICIPAL UTILITIES AUTHORITY



ALEXIS BOZZA, Assistant Secretary



DENNIS BALDASSARI, Chairman

Dated: December 19, 2019

**SCHEDULE NO. 1
GENERAL METERED SERVICE**

Applicable to the use of water supplied through meters in the territory serviced by the Authority. The total of a customer's bill for a billing period includes consumption plus the facilities charges.

CONSUMPTION CHARGE

**RESIDENTIAL RATE
(BILLED QUARTERLY)**

| <u>Quantity Used Quarterly (CCF)</u> | | RATE (per 100 Cubic Feet) | |
|--------------------------------------|-----------|---------------------------|-----------------|
| | | <u>EXISTING</u> | <u>PROPOSED</u> |
| Conservation Rate | 0-30 | \$3.133 | \$3.384 |
| High Usage Rate | 31-60 | \$4.699 | \$5.075 |
| Incentive Rate | 61 & Over | \$6.267 | \$6.768 |

**REGULAR INDUSTRIAL AND COMMERCIAL RATE
(BILLED QUARTERLY)**

Existing: \$4.553 per 100 Cubic Feet
Proposed: \$4.872 per 100 Cubic Feet

**LARGE INDUSTRIAL AND COMMERCIAL RATE
(BILLED MONTHLY)**

Existing: \$4.553 per 100 Cubic Feet
Proposed: \$4.872 per 100 Cubic Feet

NOTE: One consumption unit (1 CCF) = 100 cubic feet = 748 gallons

Residential customers are services to single family residences.

Regular Industrial and Commercial Customers are all industrial and commercial customers who are not Large Industrial and Commercial Customers.

Large Industrial and Commercial Customers are monthly-billed industrial and commercial customers with 1 inch meters or greater whose annual usage is 1,200 consumption units (120,000 cubic feet) or more.

**SCHEDULE NO. 2
GENERAL METERED SERVICE**

Applicable to the use of water supplied through meters in the territory serviced by the Authority. The total of a customer's bill for a billing period includes consumption plus the facilities charges.

**QUARTERLY FACILITIES CHARGE
ALL WATER EXTRA (SEE SCHEDULE NO. 1)**

| <u>Meter Size</u> | <u>Existing Charges</u> | <u>Proposed Charges</u> |
|-------------------|-------------------------|-------------------------|
| 5/8 Inch | \$21.53 | \$23.25 |
| 3/4 Inch | \$26.37 | \$28.48 |
| 1 Inch | \$43.22 | \$46.68 |
| 1 1/2 Inch | \$66.20 | \$71.50 |
| 2 Inch | \$93.15 | \$100.60 |
| 3 Inch | \$155.26 | \$167.68 |
| 4 Inch | \$240.42 | \$259.65 |
| 6 Inch | \$450.74 | \$486.80 |
| 8 Inch | \$700.56 | \$756.60 |
| 10 Inch | \$989.78 | \$1,068.96 |

**MONTHLY FACILITIES CHARGES
ALL WATER EXTRA (SEE SCHEDULE NO. 1)**

| <u>Meter Size</u> | <u>Existing Charges</u> | <u>Proposed Charges</u> |
|-------------------|-------------------------|-------------------------|
| 5/8 Inch | \$7.19 | \$7.77 |
| 3/4 Inch | \$8.79 | \$9.49 |
| 1 Inch | \$25.65 | \$27.70 |
| 1 1/2 Inch | \$33.33 | \$36.00 |
| 2 Inch | \$42.33 | \$45.72 |
| 3 Inch | \$62.93 | \$67.96 |
| 4 Inch | \$91.39 | \$98.70 |
| 6 Inch | \$161.51 | \$174.43 |
| 8 Inch | \$244.79 | \$264.37 |
| 10 Inch | \$341.19 | \$368.49 |

DEFINITIONS

CONSUMPTION CHARGE: This charge includes the cost of treating the water and pumping it to the customers.

FACILITIES CHARGE: This charge covers the cost of water service lines, meter installation, meter reading, billing costs and other expenses. This does not change with consumption.

SCHEDULE NO. 3 PRIVATE FIRE PROTECTION

Applicable to customers within and outside the District for Private Fire Protection.

| <u>Size of Service</u> | <u>Existing Charges per Quarter</u> | <u>Proposed Charges per Quarter</u> |
|------------------------|-------------------------------------|-------------------------------------|
| 2 Inch | \$78.60 | \$84.89 |
| 3 Inch | \$104.39 | \$112.74 |
| 4 Inch | \$155.98 | \$168.46 |
| 6 Inch | \$257.91 | \$278.54 |
| 8 Inch | \$432.31 | \$466.89 |
| 10 Inch | \$617.76 | \$667.18 |

SCHEDULE NO. 4 PRIVATE FIRE PROTECTION SERVICE (HYDRANTS)

Applicable to customers within and outside the District for Private Fire Protection.

| <u>Private Fire Hydrants</u> | <u>Existing Charges per Quarter</u> | <u>Proposed Charges per Quarter</u> |
|------------------------------|-------------------------------------|-------------------------------------|
| 4 Inch | \$67.54 | \$72.94 |
| 4 1/4 – 4 1/2 Inches | \$84.75 | \$91.53 |
| 5+ Inches | \$100.70 | \$108.76 |

NOTE: Private Fire Hydrants are those provided by customers pursuant to Section 10A of the Authority's Rules and Regulations for Water Service.

**SCHEDULE NO. 5
NON-METERED SERVICE**

Applicable to the entire territory serviced by the Authority.

RATE

Existing: Annual Charge \$94.56 (outdoor drinking fountain)
Proposed: Annual Charge \$102.12 (outdoor drinking fountain)

**SCHEDULE NO. 6
MISCELLANEOUS SERVICE**

Applicable to the entire territory serviced by the Authority for charges not involving the use of water.

Resumption of service after discontinuance due to non-payment of bills, or violation of the Rules, and delivery of 24-hour notice of discontinuance of service except that the charge for delivery of the 24-hour notice of discontinuance of service shall be waived in the case of senior citizens over the age of 65 years (upon request).

| | <u>Existing</u> | <u>Proposed</u> |
|-----------------------------------|-----------------|-----------------|
| Meters up to and including 1 Inch | \$42.99 | \$46.43 |
| Meters larger than 1 Inch | \$70.01 | \$75.61 |

Any other turn-offs and turn-ons regardless of reason of any service.

| | <u>Existing</u> | <u>Proposed</u> |
|-----------------------------------|-----------------|-----------------|
| Meters up to and including 1 Inch | \$42.99 | \$46.43 |
| Meters larger than 1 Inch | \$70.01 | \$75.61 |

TAPPING FEES

| | <u>NEW</u> | | <u>RENEWAL</u> | |
|----------------|-----------------|-----------------|-----------------|-----------------|
| | <u>Existing</u> | <u>Proposed</u> | <u>Existing</u> | <u>Proposed</u> |
| 5/8 x 3/4 Inch | \$612.85 | \$661.88 | \$459.33 | \$496.08 |
| 3/4 Inch | \$679.16 | \$733.49 | \$525.64 | \$567.69 |
| 1 Inch | \$982.51 | \$1,061.11 | \$687.76 | \$742.78 |
| 1 1/2 Inch | \$1,047.61 | \$1,131.42 | \$763.91 | \$825.02 |
| 2 Inch | \$1,504.48 | \$1,624.84 | \$1,198.67 | \$1,294.56 |

WET CUT FEES

| <u>Sizes</u> | <u>Existing Charges</u> | <u>Proposed Charges</u> |
|--------------|-------------------------|-------------------------|
| 4 Inch | \$525.64 | \$567.69 |
| 6 Inch | \$599.33 | \$647.28 |
| 8 Inch | \$649.70 | \$701.68 |
| 10 Inch | \$828.99 | \$895.31 |

OTHER SERVICES

| | <u>Existing Charges</u> | <u>Proposed Charges</u> |
|-------------------------------------|-------------------------|-------------------------|
| Pumping Out Meter Pit | \$85.97 | \$92.85 |
| Annual Backflow/Detector Check | \$85.97 | \$92.85 |
| Locate and Clean Curb Box per Hour* | \$42.99 | \$46.43 |

*One hour minimum.

LABOR AND MATERIALS

Any labor performed and all materials furnished by the Authority will be charged to the customers, at cost, unless otherwise provided in these schedules.

**SCHEDULE NO. 7
SERVICE TO OTHER WATER SUPPLY SYSTEMS
(Non-retail service)**

Applicable outside the District of the Authority.

TERMS OF PAYMENT

Net cash on presentation of the bill.

EXISTING BULK RATE PER 100 CU. FT.

\$2.54

PROPOSED BULK RATE PER 100 CU. FT.

\$2.74

MISCELLANEOUS APPLICATION FEES

| <u>TYPE OF APPLICATION</u> | FEES* | |
|--|----------------------------------|----------------------------------|
| | <u>EXISTING</u> | <u>PROPOSED</u> |
| A. Service Connection Outside District (Excludes new Main Extensions) | | |
| 1. Residential (per connection/unit) | \$35.62 | \$38.47 |
| 2. Commercial or Industrial (single unit and accessory use) | \$359.85 | \$388.64 |
| 3. Industrial Park or Commercial Complex | \$883.03 | \$953.67 |
| B. New Main Extension Outside District For purpose of providing service solely to persons or property within District | | |
| 1. Residential | \$186.68 | \$201.61 |
| 2. Commercial or Industrial | \$359.85 | \$388.64 |
| C. All Other New Main Extensions Outside District | | |
| 1. Residential Development (per connection/unit) | \$35.62 (Min. fee \$1,099.19) | \$38.47 (Min. fee \$1,099.19) |
| 2. Commercial or Industrial (single use and accessory use including fire service) | \$2,386.28 | \$2,577.18 |
| 3. Industrial Park or Commercial Complex (two or more units) (per connection/ unit) | \$2,058.44 | \$2,223.12 |

*Preliminary Fee intended to defray the cost to the Authority of processing the initial application and making written requests (when required) to the Authority. The Authority may require a supplemental fee, cash deposit or other security in the event additional costs are incurred in connection with the application. Such fees are in addition to the connection fee required pursuant to Schedule 13.

**SCHEDULE NO. 8
APPLICATION FOR WATER MAIN EXTENSION**

Applicable within the District of the Authority to cover engineering, inspection, legal, etc., costs incurred relating to application.

| <u>Existing</u> <u>Application Fee</u> | <u>Proposed</u> <u>Application Fee</u> |
|---|---|
| \$599.33 | \$647.28 |

Existing Deposit: \$571.09 plus \$4.30 per foot of water main extension
Proposed Deposit: \$616.78 plus \$4.64 per foot of water main extension

Application fee and deposit listed above are non-refundable. Additional cash deposits may be required to cover actual costs incurred in connection with the application. The unused portion of the additional deposit will be refunded after all requirements are completed.

**SCHEDULE NO. 9
UNCOLLECTIBLE CHECK CHARGE**

If a customer or applicant for service submits an uncollectible check in payment of a bill, deposit or any service rendered, the Authority may charge a handling fee of:

| | |
|-----------|---------|
| Existing: | \$36.85 |
| Proposed: | \$39.80 |

plus any penalties the Authority may incur from its bank handling the uncollectible check.

**SCHEDULE NO. 10
SCHEDULE OF DEPOSITS**

- Omit -

**SCHEDULE NO. 11
HYDRANT PERMIT FEES**

Applies to the entire territory serviced by the Authority to persons obtaining permits from the Authority to use Public Hydrants for purposes other than Fire Protection.

| | <u>Existing</u> | <u>Proposed</u> |
|--|-----------------|-----------------|
| Deposit Required for borrowed wrench and adapter (deposit refunded when returned) | \$189.14 | \$204.27 |
| Monthly charge for unmetered water (payable in advance) | \$121.58 | \$131.31 |

**SCHEDULE NO. 12
WATER SEARCH SERVICE CHARGE**

- Omit -

**SCHEDULE NO. 13
CONNECTION FEE**

Any applicant for potable water supplied by the Authority shall be required to pay a connection fee pursuant to Section 18 of the Authority's Rules and Regulations for Water Service as follows:

| <u>Connection Fee</u> | <u>Existing</u> | <u>Proposed</u> |
|--------------------------------|-----------------|-----------------|
| (Per Equivalent Dwelling Unit) | \$ 4,666.00 | No Change |

An equivalent dwelling unit is defined as usage of 183.414 gallons per pay.

Reduced rates, credits and allowances regarding connection fees, including (but not limited to) reduced rates for affordable housing, shall be allowed as provided in Section 18 of the Authority's Rules and Regulations for Water Service and as otherwise required by applicable laws as such laws shall be amended or supplemented from time to time.

**SCHEDULE NO. 14
IRRIGATION SERVICE**

| | <u>Existing</u> | <u>Proposed</u> |
|-------------------------------------|-----------------|-----------------|
| Flat Rate per 100 cubic feet | \$6.29 | \$6.79 |
| Seasonal on/off; drain meter charge | \$128.96 | \$139.28 |

CERTIFICATION

I hereby certify the foregoing to be a true copy of the resolution adopted by The Southeast Morris County Municipal Utilities Authority on December 19, 2019, at a meeting duly convened of said Authority.


ALEXIS BOZZA, Assistant Secretary

Dated: December 19, 2019

State of New Jersey
Department of Community Affairs
Division of Local Government Services
PROPOSED INTRODUCED AUTHORITY BUDGET
INTRODUCED BUDGET TRANSMITTAL PACKAGE

Submit all budget related materials in one package to: *Bureau of Authority Regulation Affairs, Division of Local Government Services, 101 South Broad Street, P.O. Box 803, Trenton, NJ 08625-0803.* Check the box of each item to indicate that it is included in budget or has been completed.

Proposed Introduced Authority Budget Document

- 2 copies of the Introduced budget document that includes all pages completed
 - Authority Name and Fiscal Year are filled in
 - Signature blocks on Pages C-2, C-3, and C-4 are filled in along with title, address, e-mail address, phone number and fax number.
 - Page C-5 Resolution of the Authority governing body approving the introduced budget is enclosed with recorded vote
- Note: Aye Votes must total a majority of the full membership of the governing body (Not including Alternates in total)**
- Page C-5 Proposed hearing date for adoption of Budget reflected in Authority Budget Resolution
 - Page C-5 Authority Budget Resolution is signed with original hand-written signature
 - Budget Narrative (N Pages) and Information Section is complete (All items answered or indicated N/A)
 - Pages N-6 and F-8 applicable amounts agree to the most recent issued audit report of the Authority
 - Sheets not completed have an explanation on them (Such as Authority has no Debt Service)

Introduced Capital Budget (Page CB-1 through CB-5)

- Authority Name and Fiscal Year are filled in
- Signature blocks on Page CB-1 are filled in along with title, address, e-mail address, phone number and fax number and proper Box Checked off (Top Box 1 Have a Capital Budget or Bottom Box 2 Don't have a Capital Budget)
- Page CB-2-- has all questioned answered or an explanation why question a question does not apply
- Page CB-5—Balance Check amount equals Zero

| | | | |
|-----------------------|---|-------------|--------------|
| Official's Signature: |  | | |
| Name: | Charles Maggio | | |
| Title: | Chief Financial Officer | | |
| Address: | 19 Saddle Rd, Cedar Knolls NJ 07927 | | |
| Phone Number: | 973-326-6863 | Fax Number: | 973-326-6808 |
| E-mail address: | cmaggio@smcmua.org | | |

2020 (2020-2021) AUTHORITY BUDGET

Certification Section

Authority Budget of:

The Southeast Morris County Municipal Utilities Authority

State Filing Year **2020**

For the Period:

January 1, 2020 to December 31, 2020

www.smcmua.org

Authority Web Address



Division of Local Government Services

2020 (2020-2021)

**THE SOUTHEAST MORRIS COUNTY MUNICIPAL UTILITIES AUTHORITY
AUTHORITY BUDGET**

FISCAL YEAR: FROM January 1, 2020 TO December 31, 2020

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: _____ 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: _____ Date: _____

2020 (2020-2021) PREPARER'S CERTIFICATION

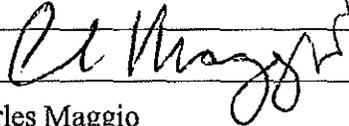
THE SOUTHEAST MORRIS COUNTY MUNICIPAL UTILITIES AUTHORITY

AUTHORITY BUDGET

FISCAL YEAR: FROM: January 1, 2020 **TO:** December 31, 2020

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: | Charles Maggio | | |
| Title: | Chief Financial Officer | | |
| Address: | 19 Saddle Rd Cedar Knolls, NJ 07927 | | |
| Phone Number: | 973-326-6863 | Fax Number: | 973-326-6808 |
| E-mail address | cmaggio@smcmua.org | | |

2020 (2020-2021) APPROVAL CERTIFICATION

THE SOUTHEAST MORRIS COUNTY MUNICIPAL UTILITIES AUTHORITY

AUTHORITY BUDGET

FISCAL YEAR: FROM: January 1, 2020 **TO:** December 31, 2020

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 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 24th day of October, 2019.

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: | Alexis Bozza | | |
| Title: | Assistant Secretary | | |
| Address: | 19 Saddle Rd Cedar Knolls, NJ 07927 | | |
| Phone Number: | 973-326-6867 | Fax Number: | 973-326-9521 |
| E-mail address | abozza@smcmua.org | | |

INTERNET WEBSITE CERTIFICATION

| | |
|--------------------------|----------------|
| Authority's Web Address: | www.smcmaa.org |
|--------------------------|----------------|

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
- Budgets for the current fiscal year and immediately preceding two prior years
- The most recent Comprehensive Annual Financial Report (Unaudited) or similar financial information (**Similar Information is such as PIE Charts, Bar Graphs etc. for such items as Revenues, Expenditures, and other information the Authority deems relevant to inform the public**)
- The complete (All Pages) annual audits (Not the Audit Synopsis) 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
- 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.

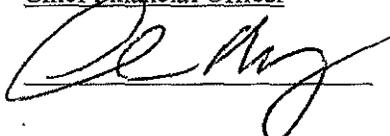
Name of Officer Certifying compliance

Charles Maggio

Title of Officer Certifying compliance

Chief Financial Officer

Signature



2020 (2020-2021) AUTHORITY BUDGET RESOLUTION

THE SOUTHEAST MORRIS COUNTY MUNICIPAL UTILITIES AUTHORITY

FISCAL YEAR: FROM: January 1, 2020 **TO:** December 31, 2020

WHEREAS, the Annual Budget and Capital Budget for The Southeast Morris County Municipal Utilities Authority for the fiscal year beginning, January 1, 2020 and ending, December 31, 2020 has been presented before the governing body of The Southeast Morris County Municipal Utilities Authority at its open public meeting of October 24, 2019; and

WHEREAS, the Annual Budget as introduced reflects Total Revenues of \$16,695,842, Total Appropriations, including any Accumulated Deficit if any, of \$16,559,200 and Total Unrestricted Net Position utilized of (\$136,642); and

WHEREAS, the Capital Budget as introduced reflects Total Capital Appropriations of \$5,217,039 and Total Unrestricted Net Position planned to be utilized as funding thereof, of \$5,217,039; and

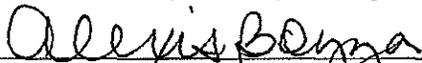
WHEREAS, the schedule of rates, fees and other charges in effect will produce sufficient revenues, together with all other anticipated revenues to satisfy all obligations to the holders of bonds of the Authority, to meet operating expenses, capital outlays, debt service requirements, and to provide for 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 24, 2019 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, 2020 and ending, December 31, 2020 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 19, 2019.

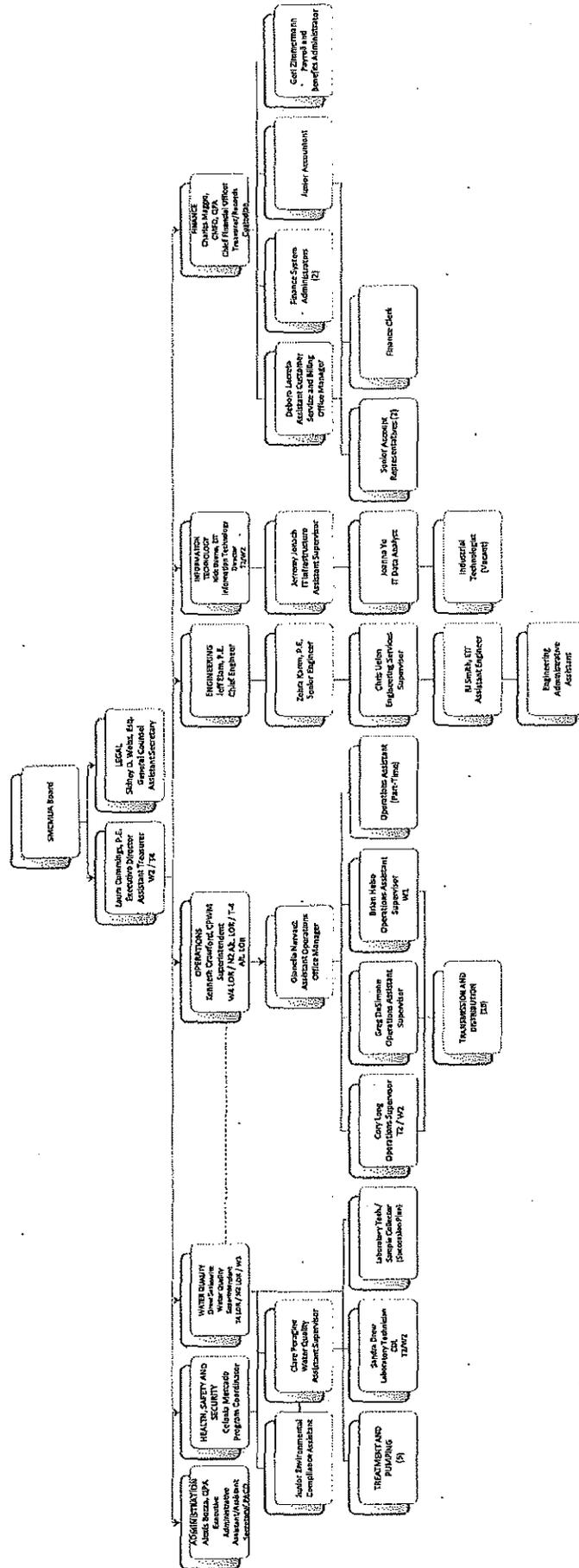

(Assistant Secretary's signature)

October 24, 2019
(Date)

Governing Body Member:

| | Recorded Vote | | | |
|-----------------------------|---------------|-----|---------|--------|
| | Aye | Nay | Abstain | Absent |
| Baldassari, Dennis | ✓ | | | |
| Chumer, Michael | ✓ | | | |
| Doherty, John ("Jack") | | | | ✓ |
| Dougherty, Mary | ✓ | | | |
| Iannaccone, Saverio ("Sal") | | | | ✓ |
| Kissil, Donald | ✓ | | | |
| Rotando, Ralph | ✓ | | | |
| Schimpf, Adolf | ✓ | | | |

Figure 2-1. SMC/MUA Organization Chart



2020 (2020-2021) AUTHORITY BUDGET

Narrative and Information Section

2020 (2020-2021) AUTHORITY BUDGET MESSAGE & ANALYSIS

THE SOUTHEAST MORRIS COUNTY MUNICIPAL UTILITIES AUTHORITY

AUTHORITY BUDGET

FISCAL YEAR: FROM: January 1, 2020 TO: December 31, 2020

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

1. Complete a brief statement on the 2020/2020-2021 proposed Annual Budget and make comparison to the 2019/2019-2020 adopted budget for each Revenues and Appropriations. Explain any variances over +/-10% (As shown on budget pages F-2 and F-4 explain the reason for changes for each revenue and appropriation changing more than 10%) for each individual revenue and appropriation line item. 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.

Water rates and services charges will increase by Resolution by a net of approximately 8% over 4 tiers of services for the year 2020 where "Other" services would include fixed charges, unmetered sales, fire protection, etc... (as shown below).

| | Residential | Commercial | Irrigation | Other |
|---------------|-------------|------------|------------|-------|
| Proposed 2018 | 8 % | 7% | 8% | 8% |

This approach continues the change in our approach in rate structure increases as a result of a Cost of Services Study conducted in 2016 (to be updated in 2020) which indicated that long term adjustments to residential, commercial and bulk rates were required to more accurately reflect the cost of services. There was a 26.5% increase in appropriations for Purchased Water. This was a result of increasing the previously budgeted 600 million gallons per year from Passaic Valley Water Commission (PVWC) to 730 million gallons per year due to a contractual minimum obligation purchase.

2. Describe the state of the local/regional economy and how it may impact the proposed Annual Budget, including the planned Capital Budget/Program. (Example Consider New Development projects such as Housing /Commercial projects impact on the Authorities expenses or revenues)

The state of the economy in the Authority's service district is positive. Projected 2019 connection fees on new developments is approximately \$800,000 The Authority's 2015 Demand Forecast projects a rate of growth in water demands of about 0.06% per year.

3. Describe the reasons for utilizing Unrestricted Net Position in the proposed Annual Budget and or Capital 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 2020 Authority budget proposes to add \$136,642 to the Unrestricted Net Position in order to balance the budget

4. Identify any sources of funds transferred to the County/Municipality as a budget subsidy or a shared service payments, pilot payments, or other types of contracts or agreements (Example to provide police services to the Authority etc. 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.

5. The proposed budget must not reflect an anticipated deficit from 2020/2020-2021 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.

(Prepare a response to deficits in most recent audit report pertaining to Deficits to Unrestricted Net Position caused by recording Pension and Post-Employment Benefits liabilities as required by GASB 68 and GASB 75) and similar types of deficits in the audit report. How would these deficits be funded?

6. Attach a schedule of the Authority's existing rate structure (connection fees, parking fees, service charges, etc.) **if it has been changed since the prior year budget submission** 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**. (If no changes to fees or rates indicate (Answer as "Rates Are Staying the Same")

A schedule of proposed changes in the rate structure is shown below reflecting the following increase schedule.

| | Residential | Commercial | Irrigation | Other |
|---------------|-------------|------------|------------|-------|
| Proposed 2020 | 8 % | 7% | 8% | 8% |

This will be presented for adoption at the December 2019 Board meeting.

| | <u>2019 Rates</u> | | <u>2020 Rates (Proposed)</u> |
|--|--------------------------|--|-------------------------------------|
| Residential | | | |
| Conservation Rate | \$3.133 | | \$3.384 |
| High Usage Rate | \$4.699 | | \$5.075 |
| Incentive Rate | \$6.267 | | \$6.768 |
| | | | |
| Regular Industrial & Commercial | | | |
| (Billed Quarterly) Flat Rate | \$4.553 | | \$4.872 |
| | | | |
| Regular Industrial & Commercial | | | |
| (Billed Monthly) Flat Rate | \$4.553 | | \$4.872 |
| | | | |
| | | | |

| | | |
|------------------------------|----------|------------|
| Quarterly Facilities Charges | | |
| 5/8 Inch | \$21.53 | \$23.25 |
| 3/4 Inch | \$26.37 | \$28.48 |
| 1 Inch | \$43.22 | \$46.68 |
| 1 1/2 Inch | \$66.20 | \$71.50 |
| 2 Inch | \$93.15 | \$100.60 |
| 3 Inch | \$155.26 | \$167.68 |
| 4 Inch | \$240.42 | \$259.65 |
| 6 Inch | \$450.74 | \$486.80 |
| 8 Inch | \$700.56 | \$756.60 |
| 10 Inch | \$989.78 | \$1,068.96 |
| Monthly Facilities Charges | | |
| 5/8 Inch | \$7.19 | \$7.77 |
| 3/4 Inch | \$8.79 | \$9.49 |
| 1 Inch | \$25.65 | \$27.70 |
| 1 1/2 Inch | \$33.33 | \$36.00 |
| 2 Inch | \$42.33 | \$45.72 |
| 3 Inch | \$62.93 | \$67.96 |
| 4 Inch | \$91.39 | \$98.70 |
| 6 Inch | \$161.51 | \$174.43 |
| 8 Inch | \$244.79 | \$264.37 |
| 10 Inch | \$341.19 | \$368.49 |
| Private Fire Protection | | |
| 2 Inch | \$78.60 | \$84.89 |
| 3 Inch | \$104.39 | \$112.74 |
| 4 Inch | \$155.98 | \$168.46 |
| 6 Inch | \$257.91 | \$278.54 |
| 8 Inch | \$432.31 | \$466.89 |
| 10 Inch | \$617.76 | \$667.18 |
| Hydrants | | |
| 4 Inch | \$67.54 | \$72.94 |
| 4 1/4 - 4 1/2 Inches | \$84.75 | \$91.53 |
| 5+ Inches | \$100.70 | \$108.76 |
| | | \$0.00 |
| Non-metered service | | \$0.00 |
| Outdoor drinking fountains | \$94.56 | \$102.12 |
| | | |

| | | | |
|-------------------------------------|------------|--|------------|
| Miscellaneous Service | | | |
| Meters up to and including 1 Inch | \$42.99 | | \$46.43 |
| Meters larger than 1 Inch | \$70.01 | | \$75.61 |
| Tapping Fees - NEW | | | |
| 5/8 x 3/4 Inch | \$612.85 | | \$661.88 |
| 3/4 Inch | \$679.16 | | \$733.49 |
| 1 Inch | \$982.51 | | \$1,061.11 |
| 1 1/2 Inch | \$1,047.61 | | \$1,131.42 |
| 2 Inch | \$1,504.48 | | \$1,624.84 |
| Tapping Fees - RENEWAL | | | |
| 5/8 x 3/4 Inch | \$459.33 | | \$496.08 |
| 3/4 Inch | \$525.64 | | \$567.69 |
| 1 Inch | \$687.76 | | \$742.78 |
| 1 1/2 Inch | \$763.91 | | \$825.02 |
| 2 Inch | \$1,198.67 | | \$1,294.56 |
| Wet Cut Fees | | | |
| 4 Inch | \$525.64 | | \$567.69 |
| 6 Inch | \$599.33 | | \$647.28 |
| 8 Inch | \$649.70 | | \$701.68 |
| 10 Inch | \$828.99 | | \$895.31 |
| Other Services | | | |
| Pumping Out Meter Pit | \$85.97 | | \$92.85 |
| Annual Backflow/Detector Check | \$85.97 | | \$92.85 |
| Locate and Clean Curb Box per Hour* | \$42.99 | | \$46.43 |
| Non-retail Service | | | |

| | | | |
|------------------------------------|------------|--|------------|
| Bulk Rate | \$2.53 | | \$2.73 |
| Outside District | | | |
| Service Connection Residential | \$35.62 | | \$38.47 |
| Service Connection Commercial | \$359.85 | | \$388.64 |
| Service Connection Complex | \$883.03 | | \$953.67 |
| New Main Residential | \$186.68 | | \$201.61 |
| New Main Comm/Ind | \$359.85 | | \$388.64 |
| Residential Development | \$35.62 | | \$38.47 |
| Minimum Fee | \$1,099.19 | | \$1,187.13 |
| Commercial/Industrial | \$2,386.28 | | \$2,577.18 |
| Industrial Park/Commercial Complex | \$2,058.44 | | \$2,223.12 |
| | \$0.00 | | |
| Water Main Extension | \$0.00 | | |
| Application | \$599.33 | | \$647.28 |
| Deposit | \$571.09 | | \$616.78 |
| Per foot of extension | \$4.30 | | \$4.64 |
| Uncollectible Check Charge | \$36.85 | | \$39.80 |
| | \$0.00 | | |
| Hydrant Permint Fees | \$0.00 | | |
| Deposit for Wrench/Adapter | \$189.14 | | \$204.27 |
| Monthly Charge for unmetered water | \$121.58 | | \$131.31 |
| Water Search Service Charge | \$18.42 | | \$19.89 |
| | | | |
| Irrigation | | | |
| Flat Rate | \$6.29 | | \$6.79 |
| Season on/off | \$128.96 | | \$139.28 |

AUTHORITY CONTACT INFORMATION 2020 (2020-2021)

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

| | | | |
|---------------------------|---|-------------|--------------|
| Name of Authority: | The Southeast Morris County Municipal Utilities Authority | | |
| Federal ID Number: | 22-2133468 | | |
| Address: | 19 Saddle Rd | | |
| City, State, Zip: | Cedar Knolls | NJ | 07927 |
| Phone: (ext.) | 973-326-6863 | Fax: | 973-326-6864 |

| | | | |
|----------------------------|---|-------------|--------------|
| Preparer's Name: | Charles Maggio, Chief Financial Officer | | |
| Preparer's Address: | 19 Saddle Rd | | |
| City, State, Zip: | Cedar Knolls | NJ | 07927 |
| Phone: (ext.) | 973-326-6863 | Fax: | 973-326-6808 |
| E-mail: | cmaggio@smcmua.org | | |

| | | | |
|---|-----------------------------------|-------------|--------------|
| Chief Executive Officer:(1) | Laura Cummings Executive Director | | |
| (1)Or person who performs these functions under another Title | | | |
| Phone: (ext.) | 973-326-6866 | Fax: | 973-326-7233 |
| E-mail: | lcummings@smcmua.org | | |

| | | | |
|--|--------------------|-------------|--------------|
| Chief Financial Officer(1) | Charles Maggio | | |
| (1) Or person who performs these functions under another Title | | | |
| Phone: (ext.) | 973-326-6863 | Fax: | 973-326-6808 |
| E-mail: | cmaggio@smcmua.org | | |

| | | | |
|--------------------------|----------------------------|-------------|--------------|
| Name of Auditor: | Kathi Mantell | | |
| Name of Firm: | Nisivoccia, L.L.P. | | |
| Address: | 200 Valley Rd 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, 2020 TO: December 31, 2020

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

- 1) Provide the number of individuals employed in (Use Most Recent W-3 Available 2018 or 2019) as reported on the Authority's Form W-3, Transmittal of Wage and Tax Statements: 61
- 2) Provide the amount of total salaries and wages as reported on the Authority's Form W-3, (Use Most Recent W-3 Available 2018 or 2019) Transmittal of Wage and Tax Statements: \$3,284,973.52
- 3) Provide the number of regular voting members of the governing body: 8 (Even if not all commissioners have been appointed (Total Commissioners are either 5 or 7 (Regional Authorities may have more than 7 members) s per statute for your Authority)
- 4)
- 5) Provide the number of alternate voting members of the governing body: 0 (Maximum is 2)
- 6) 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.
- 7) Did all individuals that were required to file a Financial Disclosure Statement for the current fiscal year (Most Recent Filing that March 31, 2019 or 2020 deadline has passed 2019 or 2020) because of their relationship with the Authority file the form as required? (Checked to see if individuals actually filed at <http://www.state.nj.us/dca/divisions/dlgs/resources/fds.html> before answering) 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.
- 8) 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.
- 9) 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? NOIf 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.
- 10) 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.
- 11) 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. **Attach a narrative of your Authority's procedures for all individuals listed on Page N-4 (2 of 2).**

Due to the competitive job market, business consultants are utilized to evaluate management salaries on even years and Union wages prior to contract negotiations. The AWWA and NJLOM comprehensive survey of salary and wages was also used to assist in calculating present and future compensation as well as area municipal compensation that compete with the required professional talent. Business planning consultants were utilized in 2018 to determine if compensation to management employees was comparable to positions in similarly sized entities and the industry and geographic location and revisions were made accordingly. Since the Union contract expired 12/2018, a business consultant was utilized to evaluate wages where it was identified that entry level positions wages were low when compared to similar positions across the industry. The Authority realigned wages for all pertinent titles in the current version of the labor agreement that is being negotiated. For management staff, interim year increases may be awarded upon achieving required job specific licenses/certifications and annual performance evaluations are performed and recommendations are made to the Board for approval of annual increases and stipends. It should be noted that automatic union staff step increases were eliminated in past negotiations, longevity no longer applies to any employee and that payouts for sick time have also been eliminated with only a small number of employees eligible for a partial payout that is currently valued at approximately \$83,000.

12) 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 BELOW

13) 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 BELOW

14) 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 YES
- 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.

The employees listed below are all supplied with a company owned vehicle as they are key employees who are essential to the operation of the Authority and are required to be available at all times in the case of emergency. Outside of the cost of the vehicle there is no allowance or expense attached to vehicle. There is a fringe benefit reported in section N-4 as part of these employee's compensation.

Laura Cummings-Executive Director
Kenneth Crawford- Superintendent
Jeff Elam- Chief Engineer
Nicholas Buono-Director of IT
Drew Saskowitz-Water Quality Superintendent

15) 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. (If your authority does not allow for reimbursements indicate that in answer)

16) Did the Authority make any payments to current or former commissioners or employees for severance or termination? NO If "yes," attach explanation including amount paid.

17) 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 If "yes," attach explanation including amount paid.

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 If "no," attach a description of the Authority's plan to ensure compliance with its Continuing Disclosure Agreements in the future. (If no bonded Debt answer is Not Applicable). (New Jersey Infrastructure Trust Loans are not bonded debt of an Authority)

Please see attached for proof of filing.

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? 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.

The NJDEP cited in the report for the annual inspection that disinfection was not the final treatment process at three facilities. The Authority responded to the report asking to have this requirement waived since the facilities have never been operated in that way and a secondary disinfection step at the end of the treatment process does not provide any means for improved control. The NJDEP has not responded yet.

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 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 2019 Catered Events and Meals

| Company | Event | Date | Check | Amount |
|---------------|---------------------------------------|----------|-------|------------|
| Reimbursement | Board Member Reorganization Reception | 2/1/2019 | 41914 | \$1,850.00 |
| Reimbursement | Engineering planning Lunch | 02/22/19 | 41941 | \$159.81 |
| Reimbursement | Office Clean Up Day Lunch | 04/18/19 | 42096 | \$104.04 |
| Reimbursement | Lunch for Management Workshop | 05/16/19 | 42284 | \$128.45 |
| Reimbursement | Admin Professional Day Lunch | 05/21/19 | 42415 | \$145.64 |
| Reimbursement | Drinking Water Week Lunch | 6/13/19 | 42374 | \$518.70 |
| Reimbursement | Operation Lunch Meeting | 09/26/29 | 42869 | \$28.35 |
| Reimbursement | Festival on The Green Lunch | 09/29/19 | 42869 | \$40.00 |

Reimbursement Hydrant Maintenance/Labor Day Celebration 08/26/19 42676 \$407.31

2019 SMCMUA- Travel Costs

| Employee | Event | Date | Check | Amount |
|------------------|-------------------------------|-------------|--------------|---------------|
| Zehra Karim | AWWA Annual Conference | 03/20/19 | 42185 | \$387.52 |
| Jeff Elam | AWWA Annual Conference | 03/20/19 | 42128 | \$412.52 |
| Alexis Bozza | GPANJ Symposium | 04/05/19 | 42096 | \$388.62 |
| Nicholas Buono | 2019 RAVE Summit | 04/26/19 | 42191 | \$1268.62 |
| Debora Lacreata | 2019 RAVE Summit | 04/26/19 | 42242 | \$588.87 |
| Charles Maggio | GFOANJ Conference | 09/26/19 | 42870 | \$435.08 |
| Celenia Mercado | 2019 RAVE Summit | 04/26/19 | 42192 | \$1217.04 |
| Celenia Mercado | AEA Conference | 03/15/19 | 42192 | \$459.87 |
| Kenneth Crawford | AWWA Annual Conference | 03/20/19 | 42131 | \$1270.87 |
| Drew Saskowitz | Water Quality Tech Conference | 10/03/19 | 42831 | \$775.00 |

Submission ID: ES1001475
 Submission Date: 8/29/2019 4:07 PM
 Status: PUBLISHED

Disclosure Categories

Rule 15c2-12 Disclosure

Audited Financial Statements or CAFR: CAFR, for the year ended 12/31/2018

Document

| File | Period Date |
|-----------|-------------|
| Audit.pdf | 08/29/2019 |

Associated Securities

The following are associated with this continuing disclosure submission.

| CUSIP-6 | Issuer Name |
|---------|---|
| 841442 | SOUTHEAST MORRIS CNTY MUN UTILS AUTH N J REV |
| 841444 | THE SOUTHEAST MORRIS COUNTY MUNICIPAL UTILITIES AUTHORITY, NEW JERSEY |

Total CUSIPs associated with this submission: 101

The disclosure will be published for the following securities.

| CUSIP-9 | Issue Description | Dated Date | Maturity Date | Coupon (%) |
|-----------|-------------------|------------|---------------|------------|
| 841442BC9 | <no issue name> | 07/15/1986 | 01/01/1987 | 4.5 |
| 841442BD7 | <no issue name> | 07/15/1986 | 01/01/1988 | 5 |
| 841442BE5 | <no issue name> | 07/15/1986 | 01/01/1989 | 5.3 |
| 841442BF2 | <no issue name> | 07/15/1986 | 01/01/1990 | 5.6 |
| 841442BG0 | <no issue name> | 07/15/1986 | 01/01/1991 | 5.9 |
| 841442BH8 | <no issue name> | 07/15/1986 | 01/01/1992 | 6.1 |
| 841442BJ4 | <no issue name> | 07/15/1986 | 01/01/1993 | 6.3 |
| 841442BK1 | <no issue name> | 07/15/1986 | 01/01/1994 | 6.5 |
| 841442BL9 | <no issue name> | 07/15/1986 | 01/01/1995 | 6.7 |
| 841442BM7 | <no issue name> | 07/15/1986 | 01/01/1996 | 6.9 |
| 841442BN5 | <no issue name> | 07/15/1986 | 01/01/1997 | 7 |
| 841442BP0 | <no issue name> | 07/15/1986 | 01/01/1998 | 7.1 |
| 841442BQ8 | <no issue name> | 07/15/1986 | 01/01/1999 | 7.2 |

| CUSIP-9 | Issue Description | Dated Date | Maturity Date | Coupon (%) |
|-----------|--|------------|---------------|------------|
| 841442BR6 | <no issue name> | 07/15/1986 | 01/01/2000 | 7.3 |
| 841442BS4 | <no issue name> | 07/15/1986 | 01/01/2001 | 7.4 |
| 841442BX3 | <no issue name> | 07/15/1986 | 01/01/2006 | 7.75 |
| 841442BY1 | <no issue name> | 07/15/1986 | 01/01/2016 | 7.875 |
| 841442AG1 | <issue not found> | | | |
| 841442AH9 | <issue not found> | | | |
| 841442AJ5 | <issue not found> | | | |
| 841442AK2 | <issue not found> | | | |
| 841442AL0 | <issue not found> | | | |
| 841442AM8 | <issue not found> | | | |
| 841442AN6 | <issue not found> | | | |
| 841442AP1 | <issue not found> | | | |
| 841442AQ9 | <issue not found> | | | |
| 841442AR7 | <issue not found> | | | |
| 841442AS5 | <issue not found> | | | |
| 841442AT3 | <issue not found> | | | |
| 841442AU0 | <issue not found> | | | |
| 841442AV8 | <issue not found> | | | |
| 841442AW6 | <issue not found> | | | |
| 841442AX4 | <issue not found> | | | |
| 841442AY2 | <issue not found> | | | |
| 841442AZ9 | <issue not found> | | | |
| 841442BA3 | <issue not found> | | | |
| 841442BB1 | <issue not found> | | | |
| 841442BZ8 | <issue not found> | | | |
| 841442CA2 | <issue not found> | | | |
| 841442CB0 | <issue not found> | | | |
| 841442CC8 | <issue not found> | | | |
| 841442CD6 | <issue not found> | | | |
| 841442CE4 | <issue not found> | | | |
| 841444CH3 | WATER REVENUE REFUNDING BONDS, SERIES 2010 | 10/05/2010 | 01/01/2011 | 2 |
| 841444CJ9 | WATER REVENUE REFUNDING BONDS, SERIES 2010 | 10/05/2010 | 01/01/2012 | 3 |
| 841444CK6 | WATER REVENUE REFUNDING BONDS, SERIES 2010 | 10/05/2010 | 01/01/2013 | 4 |

| CUSIP-9 | Issue Description | Dated Date | Maturity Date | Coupon (%) |
|-----------|--|------------|---------------|------------|
| 841444CL4 | WATER REVENUE REFUNDING BONDS, SERIES 2010 | 10/05/2010 | 01/01/2014 | 4 |
| 841444CM2 | WATER REVENUE REFUNDING BONDS, SERIES 2010 | 10/05/2010 | 01/01/2015 | 4 |
| 841444CN0 | WATER REVENUE REFUNDING BONDS, SERIES 2010 | 10/05/2010 | 01/01/2016 | 3 |
| 841444CP5 | WATER REVENUE REFUNDING BONDS, SERIES 2010 | 10/05/2010 | 01/01/2016 | 4 |
| 841444AA0 | SERA | 09/15/1991 | 01/01/1992 | 4.5 |
| 841444AB8 | SERA | 09/15/1991 | 01/01/1993 | 4.75 |
| 841444AC6 | SERA | 09/15/1991 | 01/01/1994 | 5 |
| 841444AD4 | SERA | 09/15/1991 | 01/01/1995 | 5.25 |
| 841444AE2 | SERA | 09/15/1991 | 01/01/1996 | 5.4 |
| 841444AF9 | SERA | 09/15/1991 | 01/01/1997 | 5.6 |
| 841444AG7 | SERA | 09/15/1991 | 01/01/1998 | 5.7 |
| 841444AH5 | SERA | 09/15/1991 | 01/01/1999 | 5.8 |
| 841444AJ1 | SERA | 09/15/1991 | 01/01/2000 | 5.9 |
| 841444AK8 | SERA | 09/15/1991 | 01/01/2001 | 6 |
| 841444AL6 | SERA | 09/15/1991 | 01/01/2002 | 6.1 |
| 841444AM4 | SERA | 09/15/1991 | 01/01/2003 | 6.2 |
| 841444AN2 | SERA | 09/15/1991 | 01/01/2004 | 6.3 |
| 841444AT9 | SERA | 09/15/1991 | 01/01/2011 | 6.5 |
| 841444AU6 | SERA | 09/15/1991 | 01/01/2016 | 6 |
| 841444BJ0 | SERA | 09/15/1991 | 01/01/2011 | 6.5 |
| 841444BK7 | REF | 07/15/2001 | 01/01/2002 | 4 |
| 841444BL5 | REF | 07/15/2001 | 01/01/2003 | 4 |
| 841444BM3 | REF | 07/15/2001 | 01/01/2004 | 4 |
| 841444BN1 | REF | 07/15/2001 | 01/01/2005 | 3.5 |
| 841444BP6 | REF | 07/15/2001 | 01/01/2006 | 4 |
| 841444BQ4 | REF | 07/15/2001 | 01/01/2007 | 4.25 |
| 841444BR2 | REF | 07/15/2001 | 01/01/2008 | 4.5 |
| 841444BS0 | REF | 07/15/2001 | 01/01/2009 | 4.125 |
| 841444BT8 | REF | 07/15/2001 | 01/01/2010 | 5 |
| 841444BU5 | REF | 07/15/2001 | 01/01/2011 | 4.25 |
| 841444BV3 | REF | 07/15/2001 | 01/01/2012 | 5 |
| 841444BW1 | REF | 07/15/2001 | 01/01/2013 | 5 |
| 841444BX9 | REF | 07/15/2001 | 01/01/2014 | 5 |

| CUSIP-9 | Issue Description | Dated Date | Maturity Date | Coupon (%) |
|-----------|-------------------|------------|---------------|------------|
| 841444BY7 | REF | 07/15/2001 | 01/01/2015 | 5 |
| 841444BZ4 | REF | 07/15/2001 | 01/01/2016 | 5 |
| 841444AV4 | REF-SERB | 10/15/1991 | 01/01/1993 | 4.7 |
| 841444AW2 | REF-SERB | 10/15/1991 | 01/01/1994 | 4.9 |
| 841444AX0 | REF-SERB | 10/15/1991 | 01/01/1995 | 5.2 |
| 841444AY8 | REF-SERB | 10/15/1991 | 01/01/1996 | 5.4 |

Submitter's Contact Information

Southeast Morris County MUA
 Name: CHARLES MAGGIO
 Address: 19 SADDLE RD
 City, State Zip: CEDAR KNOLLS, NJ 07927
 Phone Number: 9733266863
 Email: cmaggio@smcmua.org

Issuer's Contact Information

Obligated Person's Contact Information

(This page is directions for filling in page (N-4 (2-of 2)) (No answers should be entered on this page)

**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, 2020 **TO:** December 31, 2020

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: (Use the Most Recent W-2 available 2018 or 2019. 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, 2020, the most recent W-2 and 1099 should be used 2019 or 2018 (60 days prior to start of budget year is November 1, 2019, with 2018 being the most recent calendar year ended), and for fiscal years ending June 30, 2020, the calendar year 2019 W-2 and 1099 should be used (60 days prior to start of budget year is May 1, 2019, with 2019 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)

The Southeast Morris County Municipal Utilities Authority
For the Period January 1, 2020 to December 31, 2020

| A | B | C | D | E | | | | | F | | | M | N | O | P | Q | R | S |
|--------------------|--------------------------------|--|--------------|---|--------------|------------------------------|--------|----------------------|---|---|--|-----------------------------------|---|--|--|---|--|--|
| | | | | Position (Can Check more than 1 Column for each person) | | | | | Reportable Compensation from Authority (W-2/1099) | | | | | | | | | |
| Name | Title | Average Hours per Week Dedicated to Position | Commissioner | Officer | Key Employee | Highest Compensated Employee | Former | Base Salary/ Stipend | Bonus | Other (auto allowance, expense account, payment in lieu of health benefits, etc.) | 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 (1) See note below | Positions held at Other Public Entities Listed in Column O | Average Hours per Week Dedicated to Other Public Entities Listed in Column O | 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 |
| 1 Laura Cummings | Executive Director | 55 | X | X | | | | \$ 178,000 | \$ 8,126 | \$ - | \$ 186,126 | NONE | | | | | | \$ 186,126 |
| 2 John Elam | Chief Engineer | 50 | | | X | | | 128,000 | 7,280 | \$ - | 135,280 | NONE | | | | | | 135,280 |
| 3 Kenneth Crawford | Superintendent | 50 | | | X | | | 126,750 | 5,337 | 19,962 | 152,049 | NONE | | | | | | 152,049 |
| 4 Nicholas Buono | Information Technology Manager | 45 | | | X | | | 130,000 | 2,422 | 19,381 | 151,803 | NONE | | | | | | 151,803 |
| 5 Drew Saskowitz | Water Quality Superintendent | 50 | | | X | | | 120,000 | 3,260 | 6,912 | 130,171 | NONE | | | | | | 130,171 |
| 6 Norman Hiller | Treatment & Pumping | 50 | | | X | | | 123,347 | | 15,410 | 138,757 | NONE | | | | | | 138,757 |
| 7 Charles Maggio | Chief Financial Officer | 45 | | X | | | | 106,000 | | 20,889 | 126,889 | NONE | | | | | | 126,889 |
| 8 M. Dougherty | Board Member | 1 | X | | | | | 1,500 | | | 1,500 | NONE | | | | | | 1,500 |
| 9 M. Chumer | Board Member | 1 | X | | | | | 1,500 | | | 1,500 | NONE | | | | | | 1,500 |
| 10 D. Baldassarri | Board Member | 1 | X | | | | | 1,500 | | | 1,500 | NONE | | | | | | 1,500 |
| 11 D. Kissli | Board Member | 1 | X | | | | | 1,500 | | | 1,500 | NONE | | | | | | 1,500 |
| 12 A. Schimpf | Board Member | 1 | X | | | | | 1,500 | | | 1,500 | NONE | | | | | | 1,500 |
| 13 M. Doherty | Board Member | 1 | X | | | | | 1,500 | | | 1,500 | NONE | | | | | | 1,500 |
| 14 R. Rotando | Board Member | 1 | X | | | | | 1,500 | | | 1,500 | NONE | | | | | | 1,500 |
| 15 S. Iannaccone | Board Member | 1 | X | | | | | 1,500 | | | 1,500 | NONE | | | | | | 1,500 |
| Total: | | | | | | | | \$ 924,097 | \$ - | \$ 26,425 | \$ 82,553 | \$ 1,033,075 | | | | \$ - | \$ - | \$ 1,033,075 |

(1) Insert "None" in this column for each individual that does not hold a position with another Public Entity

Schedule of Health Benefits - Detailed Cost Analysis

The Southeast Morris County Municipal Utilities Authority

For the Period

January 1, 2020

to

December 31, 2020

If Not Applicable X this box Below

| | # of Covered Members (Medical & Rx) Proposed Budget | Annual Cost | | # of Covered Members (Medical & Rx) Current Year | Annual Cost per Employee Current Year | Total Prior year Year Cost | \$ Increase (Decrease) | % Increase (Decrease) |
|--|---|---------------------------------------|-------------------------------------|--|---------------------------------------|----------------------------|------------------------|-----------------------|
| | | Estimate per Employee Proposed Budget | Total Cost Estimate Proposed Budget | | | | | |
| Active Employees - Health Benefits - Annual Cost | | | | | | | | |
| Single Coverage | 19 | \$ 8,119 | \$ 154,258 | 16 | \$ 8,356 | \$ 133,694 | \$ 20,565 | 15.4% |
| Parent & Child | 2 | 14,876 | 29,752 | 2 | 16,137 | 32,274 | (2,522) | -7.8% |
| Employee & Spouse (or Partner) | 8 | 11,812 | 94,498 | 9 | 12,925 | 116,327 | (21,829) | -18.8% |
| Family | 22 | 20,863 | 458,976 | 20 | 23,183 | 463,653 | (4,677) | -1.0% |
| Employee Cost Sharing Contribution (enter as negative -) | | | - | | | - | - | #DIV/0! |
| Subtotal | 51 | | 737,485 | 47 | | 745,948 | (8,463) | -1.1% |
| Commissioners - Health Benefits - Annual Cost | | | | | | | | |
| 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! |
| Subtotal | 0 | | - | 0 | | - | - | #DIV/0! |
| Retirees - Health Benefits - Annual Cost | | | | | | | | |
| Single Coverage | 7 | 6,919 | 48,433 | 6 | 9,335 | 56,009 | (7,576) | -13.5% |
| Parent & Child | 0 | - | - | 0 | - | - | - | #DIV/0! |
| Employee & Spouse (or Partner) | 11 | 13,463 | 148,094 | 12 | 23,943 | 287,313 | (139,219) | -48.5% |
| Family | 6 | 27,140 | 162,841 | 6 | 37,344 | 224,066 | (61,224) | -27.3% |
| Employee Cost Sharing Contribution (enter as negative -) | | | - | | | - | - | #DIV/0! |
| Subtotal | 24 | | 359,368 | 24 | | 567,387 | (208,019) | -36.7% |
| GRAND TOTAL | 75 | | \$ 1,096,853 | 71 | | \$ 1,313,335 | \$(216,482) | -16.5% |

Is medical coverage provided by the SHBP (Yes or No)? (Place Answer in Box)

YES Yes or No

Is prescription drug coverage provided by the SHBP (Yes or No)? (Place Answer in Box)

YES Yes or No

Note: Remember to Enter an amount in rows for Employee Cost Sharing

Schedule of Accumulated Liability for Compensated Absences

The Southeast Morris County Municipal Utilities Authority

For the Period

January 1, 2020

to

December 31, 2020

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

X Box if Authority has no Compensated Absences

*Legal Basis for Benefit
(check applicable items)*

| Individuals Eligible for Benefit | Gross Days of Accumulated Compensated Absences at End of Last Issued Audit Report | Dollar Value of Accrued Compensated Absence Liability | Approved Labor Agreement | Resolution | Individual Employment Agreement |
|--|---|--|--------------------------------|------------|---------------------------------------|
| ALICIA, EDGAR | 2.00 | \$ 492 | X | | |
| APPLEBY, JOANNE | 49.67 | \$ 6,274 | X | | |
| BARNHILL, JAMES | 47.66 | \$ 6,175 | X | | |
| BOZZA, ALEXIS | 123.39 | \$ 17,956 | | | X |
| BUONO, ANTHONY | 51.77 | \$ 8,084 | X | | |
| BUONO, NICK | 45.97 | \$ 11,381 | | | X |
| CARTER, CHRISTINE | 7.00 | \$ 1,296 | X | | |
| CRAWFORD, KENNETH | 9.60 | \$ 4,388 | | | X |
| CULLEN, WILLIAM | 13.50 | \$ 2,445 | X | | |
| CUMMINGS, LAURA | 13.13 | \$ 9,634 | | | X |
| DIAZ, SEBASTIAN | 7.28 | \$ 841 | X | | |
| DREW, SANDRA | 25.00 | \$ 7,582 | X | | |
| EGGERT, JANET | 2.67 | \$ 494 | X | | |
| ELAM, JOHN | 3.00 | \$ 1,477 | | | X |
| Total liability for accumulated compensated absences at beginning of current year | | \$ 78,517 | | | |

The total Amount Should agree to most recently issued audit report for the Authority

Schedule of Accumulated Liability for Compensated Absences

The Southeast Morris County Municipal Utilities Authority

For the Period

January 1, 2020

to

December 31, 2020

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

X Box if Authority has no Compensated Absences

*Legal Basis for Benefit
(check applicable items)*

| Individuals Eligible for Benefit | Gross Days of Accumulated Compensated Absences at End of Last Issued Audit Report | Dollar Value of Accrued Compensated Absence Liability | Approved Labor Agreement | Resolution | Individual Employment Agreement |
|--|---|--|--------------------------------|------------|---------------------------------------|
| Enger, Joseph | 9.00 | \$ 1,554 | X | | |
| HART, WILLIAM | 12.72 | \$ 2,689 | X | | |
| Heise, Brian | 3.00 | \$ 684 | | | X |
| HILER, Norman | 156.78 | \$ 19,430 | X | | |
| JONACH, Jeremy | 5.87 | \$ 1,265 | | | X |
| Karim, Zehra | 2.00 | \$ 692 | | | X |
| Lacreta, Debora | 5.00 | \$ 1,154 | | | X |
| Leskanic, Jill | 7.84 | \$ 1,428 | X | | |
| Long, Cory | 1.00 | \$ 240 | | | X |
| MAGGIO, CHARLES | 13.50 | \$ 5,504 | | | X |
| MERCADO, CELENIA | 4.22 | \$ 1,281 | | | x |
| Mihalko, Joseph | 7.00 | \$ 1,129 | | | |
| MINCHIN, EDWIN | 24.00 | \$ 4,536 | | | |
| MUGGEO, CHRISTINE | 13.13 | \$ 1,293 | | | |
| Total liability for accumulated compensated absences at beginning of current year | | \$ 42,878 | | | |

The total Amount Should agree to most recently issued audit report for the Authority

Schedule of Accumulated Liability for Compensated Absences

The Southeast Morris County Municipal Utilities Authority

For the Period

January 1, 2020

to

December 31, 2020

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

X Box if Authority has no Compensated Absences

*Legal Basis for Benefit
(check applicable items)*

| Individuals Eligible for Benefit | Gross Days of Accumulated Compensated Absences at End of Last Issued Audit Report | Dollar Value of Accrued Compensated Absence Liability | Approved Labor Agreement | Resolution | Individual Employment Agreement |
|--|---|--|--------------------------------|------------|---------------------------------------|
| NAPOLITANO, THOMAS | 2.53 | \$ 214 | X | | |
| Paff, Alexander | 6.00 | \$ 1,036 | X | | |
| Peragine, Clare | 3.00 | \$ 635 | | | X |
| PITTENGER, JOHN | 23.47 | \$ 2,328 | X | | |
| QUILES, CAROLINE | 15.31 | \$ 1,408 | X | | |
| SASKOWITZ, DREW | 14.06 | \$ 6,577 | | | X |
| Short, Rosemarie | 2.77 | \$ 939 | | | X |
| Simon, Dana | 6.50 | \$ 1,203 | X | | |
| STANSBURY, JOHN | 16.84 | \$ 2,828 | X | | |
| UBERTACCIO, GLENN | 205.50 | \$ 24,959 | X | | |
| UELEN, CHRIS | 7.00 | \$ 2,275 | | | X |
| ZIMMERMANN, GERI | 70.86 | \$ 6,005 | | | X |
| | | | | | |
| | | | | | |
| Total liability for accumulated compensated absences at beginning of current year | | \$ 50,408 | | | |

The total Amount Should agree to most recently issued audit report for the Authority

2020 (2020-2021) AUTHORITY BUDGET

Financial Schedules Section

SUMMARY

The Southeast Morris County Municipal Utilities Authority
For the Period January 1, 2020 to December 31, 2020

| | FY 2020 Proposed Budget | | | | | | FY 2019 Adopted Budget | \$ Increase (Decrease) Proposed vs. Adopted | % Increase (Decrease) Proposed vs. Adopted | |
|--|--------------------------------|-------------|-------------|-------------|-------------|-------------|-------------------------------|--|---|----------------|
| | Water | N/A | N/A | N/A | N/A | N/A | Total All Operations | Total All Operations | All Operations | All Operations |
| REVENUES | | | | | | | | | | |
| Total Operating Revenues | \$ 16,595,842 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 16,595,842 | \$ 15,515,465 | \$ 1,080,377 | 7.0% |
| Total Non-Operating Revenues | 100,000 | - | - | - | - | - | 100,000 | 20,000 | 80,000 | 400.0% |
| Total Anticipated Revenues | <u>16,695,842</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>16,695,842</u> | <u>15,535,465</u> | <u>1,160,377</u> | <u>7.5%</u> |
| APPROPRIATIONS | | | | | | | | | | |
| Total Administration | 3,584,765 | - | - | - | - | - | 3,584,765 | 3,498,784 | 85,981 | 2.5% |
| Total Cost of Providing Services | 10,480,435 | - | - | - | - | - | 10,480,435 | 9,559,016 | 921,419 | 9.6% |
| Total Principal Payments on Debt Service in Lieu of Depreciation | 1,859 | - | - | - | - | - | 1,859 | 1,771 | 89 | 5.0% |
| Total Operating Appropriations | 14,067,059 | - | - | - | - | - | 14,067,059 | 13,059,571 | 1,007,489 | 7.7% |
| Total Interest Payments on Debt | 28,141 | - | - | - | - | - | 28,141 | 28,229 | (89) | -0.3% |
| Total Other Non-Operating Appropriations | 2,464,000 | - | - | - | - | - | 2,464,000 | 2,464,000 | - | 0.0% |
| Total Non-Operating Appropriations | 2,492,141 | - | - | - | - | - | 2,492,141 | 2,492,229 | (89) | 0.0% |
| Accumulated Deficit | - | - | - | - | - | - | - | - | - | #DIV/0! |
| Total Appropriations and Accumulated Deficit | 16,559,200 | - | - | - | - | - | 16,559,200 | 15,551,800 | 1,007,400 | 6.5% |
| Less: Total Unrestricted Net Position Utilized | (136,642) | - | - | - | - | - | (136,642) | 16,335 | (152,977) | -936.5% |
| Net Total Appropriations | <u>16,695,842</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>16,695,842</u> | <u>15,535,465</u> | <u>1,160,377</u> | <u>7.5%</u> |
| ANTICIPATED SURPLUS (DEFICIT) | <u>\$ 0</u> | <u>\$ -</u> | <u>\$ 0</u> | <u>\$ -</u> | <u>\$ 0</u> | <u>#DIV/0!</u> |

Revenue Schedule

The Southeast Morris County Municipal Utilities Authority
For the Period January 1, 2020 to December 31, 2020

| | FY 2020 Proposed Budget | | | | | | Total All Operations | FY 2019 Adopted Budget | \$ Increase (Decrease) Proposed vs. Adopted | % Increase (Decrease) Proposed vs. Adopted |
|--|--------------------------------|-----------|----------|-----------|----------|-----------|-------------------------|---------------------------|--|---|
| | Water | N/A | N/A | N/A | N/A | N/A | | Total All Operations | Total All Operations | All Operations |
| OPERATING REVENUES | | | | | | | | | | |
| <i>Service Charges</i> | | | | | | | | | | |
| Residential | 7,255,827 | | | | | | \$ 7,255,827 | \$ 6,755,076 | \$ 500,751 | 7.4% |
| Business/Commercial | 7,126,769 | | | | | | 7,126,769 | 6,634,925 | 491,844 | 7.4% |
| Industrial | 1,246,407 | | | | | | 1,246,407 | 1,160,388 | 86,019 | 7.4% |
| Intergovernmental | 748,943 | | | | | | 748,943 | 747,764 | 1,179 | 0.2% |
| Other | 7,897 | | | | | | 7,897 | 7,312 | 585 | 8.0% |
| Total Service Charges | 16,385,842 | | | | | | 16,385,842 | 15,305,465 | 1,080,377 | 7.1% |
| <i>Connection Fees</i> | | | | | | | | | | |
| Residential | | | | | | | - | - | - | #DIV/0! |
| Business/Commercial | | | | | | | - | - | - | #DIV/0! |
| Industrial | | | | | | | - | - | - | #DIV/0! |
| Intergovernmental | | | | | | | - | - | - | #DIV/0! |
| Other | | | | | | | - | - | - | #DIV/0! |
| Total Connection Fees | | | | | | | - | - | - | #DIV/0! |
| <i>Parking Fees</i> | | | | | | | | | | |
| Meters | | | | | | | - | - | - | #DIV/0! |
| Permits | | | | | | | - | - | - | #DIV/0! |
| Fines/Penalties | | | | | | | - | - | - | #DIV/0! |
| Other | | | | | | | - | - | - | #DIV/0! |
| Total Parking Fees | | | | | | | - | - | - | #DIV/0! |
| <i>Other Operating Revenues (List)</i> | | | | | | | | | | |
| Fines/Penalties | 70,000 | | | | | | 70,000 | 70,000 | - | 0.0% |
| Wet Cut & Tap Fees | 11,000 | | | | | | 11,000 | 11,000 | - | 0.0% |
| Rents | 104,000 | | | | | | 104,000 | 104,000 | - | 0.0% |
| Misc. Income | 25,000 | | | | | | 25,000 | 25,000 | - | 0.0% |
| Type in (Grant, Other Rev) | | | | | | | - | - | - | #DIV/0! |
| Type in (Grant, Other Rev) | | | | | | | - | - | - | #DIV/0! |
| Type in (Grant, Other Rev) | | | | | | | - | - | - | #DIV/0! |
| Type in (Grant, Other Rev) | | | | | | | - | - | - | #DIV/0! |
| Type in (Grant, Other Rev) | | | | | | | - | - | - | #DIV/0! |
| Type in (Grant, Other Rev) | | | | | | | - | - | - | #DIV/0! |
| Type in (Grant, Other Rev) | | | | | | | - | - | - | #DIV/0! |
| Total Other Revenue | 210,000 | | | | | | 210,000 | 210,000 | - | 0.0% |
| Total Operating Revenues | 16,595,842 | | | | | | 16,595,842 | 15,515,465 | 1,080,377 | 7.0% |
| NON-OPERATING REVENUES | | | | | | | | | | |
| <i>Other Non-Operating Revenues (List)</i> | | | | | | | | | | |
| Type in | | | | | | | - | - | - | #DIV/0! |
| Type in | | | | | | | - | - | - | #DIV/0! |
| Type in | | | | | | | - | - | - | #DIV/0! |
| Type in | | | | | | | - | - | - | #DIV/0! |
| Type in | | | | | | | - | - | - | #DIV/0! |
| Type in | | | | | | | - | - | - | #DIV/0! |
| Total Other Non-Operating Revenue | | | | | | | - | - | - | #DIV/0! |
| <i>Interest on Investments & Deposits (List)</i> | | | | | | | | | | |
| Interest Earned | 100,000 | | | | | | 100,000 | 20,000 | 80,000 | 400.0% |
| Penalties | | | | | | | - | - | - | #DIV/0! |
| Other | | | | | | | - | - | - | #DIV/0! |
| Total Interest | 100,000 | | | | | | 100,000 | 20,000 | 80,000 | 400.0% |
| Total Non-Operating Revenues | 100,000 | | | | | | 100,000 | 20,000 | 80,000 | 400.0% |
| TOTAL ANTICIPATED REVENUES | \$ 16,695,842 | \$ | - | \$ | - | \$ | - | \$ | - | \$ |
| | | | | | | | \$ 16,695,842 | \$ 15,535,465 | \$ 1,160,377 | 7.5% |

Prior Year Adopted Revenue Schedule

The Southeast Morris County Municipal Utilities Authority

| | | <i>FY 2019 Adopted Budget</i> | | | | | | Total All |
|---|--|-------------------------------|-------------|-------------|-------------|-------------|-------------|----------------------|
| | | Water | N/A | N/A | N/A | N/A | N/A | Operations |
| OPERATING REVENUES | | | | | | | | |
| <i>Service Charges</i> | | | | | | | | |
| Residential | | 6,755,076 | | | | | | \$ 6,755,076 |
| Business/Commercial | | 6,634,925 | | | | | | 6,634,925 |
| Industrial | | 1,160,388 | | | | | | 1,160,388 |
| Intergovernmental | | 747,764 | | | | | | 747,764 |
| Other | | 7,312 | | | | | | 7,312 |
| Total Service Charges | | 15,305,465 | - | - | - | - | - | 15,305,465 |
| <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 | | 70,000 | | | | | | 70,000 |
| Wet Cut & Tap Fees | | 11,000 | | | | | | 11,000 |
| Rents | | 104,000 | | | | | | 104,000 |
| Misc. Income | | 25,000 | | | | | | 25,000 |
| Type in (Grant, Other Rev) | | | | | | | | - |
| Type in (Grant, Other Rev) | | | | | | | | - |
| Type in (Grant, Other Rev) | | | | | | | | - |
| Type in (Grant, Other Rev) | | | | | | | | - |
| Type in (Grant, Other Rev) | | | | | | | | - |
| Type in (Grant, Other Rev) | | | | | | | | - |
| Type in (Grant, Other Rev) | | | | | | | | - |
| Total Other Revenue | | 210,000 | - | - | - | - | - | 210,000 |
| Total Operating Revenues | | 15,515,465 | - | - | - | - | - | 15,515,465 |
| NON-OPERATING REVENUES | | | | | | | | |
| <i>Other Non-Operating Revenues (List)</i> | | | | | | | | |
| Type in | | | | | | | | - |
| Type in | | | | | | | | - |
| Type in | | | | | | | | - |
| Type in | | | | | | | | - |
| Type in | | | | | | | | - |
| Type in | | | | | | | | - |
| Total Other Non-Operating Revenues | | | - | - | - | - | - | - |
| <i>Interest on Investments & Deposits</i> | | | | | | | | |
| Interest Earned | | 20,000 | | | | | | 20,000 |
| Penalties | | | | | | | | - |
| Other | | | | | | | | - |
| Total Interest | | 20,000 | - | - | - | - | - | 20,000 |
| Total Non-Operating Revenues | | 20,000 | - | - | - | - | - | 20,000 |
| TOTAL ANTICIPATED REVENUES | | \$ 15,535,465 | \$ - | \$ 15,535,465 |

Appropriations Schedule

The Southeast Morris County Municipal Utilities Authority
For the Period January 1, 2020 to December 31, 2020

| | FY 2020 Proposed Budget | | | | | | Total All Operations | FY 2019 Adopted Budget | Proposed vs. Adopted | FY 2019 Adopted Budget | Proposed vs. Adopted | FY 2019 Adopted Budget | Proposed vs. Adopted |
|---|--------------------------------|------|------|------|------|------|-------------------------|---------------------------|-------------------------|---------------------------|-------------------------|---------------------------|-------------------------|
| | Water | N/A | N/A | N/A | N/A | N/A | | Total All Operations | Total All Operations | All Operations | All Operations | Total All Operations | All Operations |
| OPERATING APPROPRIATIONS | | | | | | | | | | | | | |
| <i>Administration - Personnel</i> | | | | | | | | | | | | | |
| Salary & Wages | \$ 1,584,130 | | | | | | \$ 1,584,130 | \$ 1,534,059 | \$ 50,071 | | | 3.3% | |
| Fringe Benefits | 879,835 | | | | | | 879,835 | 852,025 | 27,810 | | | 3.3% | |
| Total Administration - Personnel | 2,463,965 | | | | | | 2,463,965 | 2,386,084 | 77,881 | | | 3.3% | |
| <i>Administration - Other (List)</i> | | | | | | | | | | | | | |
| Legal Services | 183,500 | | | | | | 183,500 | 173,600 | 9,900 | | | 5.7% | |
| Various Engineering & Consultants | 150,000 | | | | | | 150,000 | 149,000 | 1,000 | | | 0.7% | |
| Finance, Admin, & Customer Service | 271,800 | | | | | | 271,800 | 275,600 | (3,800) | | | -1.4% | |
| IT Services, Support, Phone contracts | 383,800 | | | | | | 383,800 | 370,100 | 13,700 | | | 3.7% | |
| Miscellaneous Administration* | 131,700 | | | | | | 131,700 | 144,400 | (12,700) | | | -8.8% | |
| Total Administration - Other | 1,120,800 | | | | | | 1,120,800 | 1,112,700 | 8,100 | | | 0.7% | |
| Total Administration | 3,584,765 | | | | | | 3,584,765 | 3,498,784 | 85,981 | | | 2.5% | |
| <i>Cost of Providing Services - Personnel</i> | | | | | | | | | | | | | |
| Salary & Wages | 2,337,732 | | | | | | 2,337,732 | 2,263,841 | 73,891 | | | 3.3% | |
| Fringe Benefits | 1,270,303 | | | | | | 1,270,303 | 1,230,152 | 40,151 | | | 3.3% | |
| Total COPS - Personnel | 3,608,035 | | | | | | 3,608,035 | 3,493,993 | 114,042 | | | 3.3% | |
| <i>Cost of Providing Services - Other (List)</i> | | | | | | | | | | | | | |
| Purchased Water | 2,333,000 | | | | | | 2,333,000 | 1,844,223 | 488,777 | | | 26.5% | |
| Energy & Fuel Costs | 1,311,600 | | | | | | 1,311,600 | 1,229,500 | 82,100 | | | 6.7% | |
| Treatment & Testing Chemicals & Equipment | 1,283,100 | | | | | | 1,283,100 | 1,218,300 | 64,800 | | | 5.3% | |
| Taxes, Insurance, State Fees | 714,100 | | | | | | 714,100 | 711,600 | 2,500 | | | 0.4% | |
| Miscellaneous COPS* | 1,230,600 | | | | | | 1,230,600 | 1,061,400 | 169,200 | | | 15.9% | |
| Total COPS - Other | 6,872,400 | | | | | | 6,872,400 | 6,065,023 | 807,377 | | | 13.3% | |
| Total Cost of Providing Services | 10,480,435 | | | | | | 10,480,435 | 9,559,016 | 921,419 | | | 9.6% | |
| Total Principal Payments on Debt Service In Lieu of Depreciation | | | | | | | | | | | | | |
| | 1,859 | | | | | | 1,859 | 1,771 | 89 | | | 5.0% | |
| Total Operating Appropriations | 14,067,059 | | | | | | 14,067,059 | 13,059,571 | 1,007,489 | | | 7.7% | |
| NON-OPERATING APPROPRIATIONS | | | | | | | | | | | | | |
| Total Interest Payments on Debt | 28,141 | | | | | | 28,141 | 28,229 | (89) | | | -0.3% | |
| Operations & Maintenance Reserve | | | | | | | - | - | - | | | #DIV/0! | |
| Renewal & Replacement Reserve | 2,464,000 | | | | | | 2,464,000 | 2,464,000 | - | | | 0.0% | |
| Municipality/County Appropriation | | | | | | | - | - | - | | | #DIV/0! | |
| Other Reserves | | | | | | | - | - | - | | | #DIV/0! | |
| Total Non-Operating Appropriations | 2,492,141 | | | | | | 2,492,141 | 2,492,229 | (89) | | | 0.0% | |
| TOTAL APPROPRIATIONS | 16,559,200 | | | | | | 16,559,200 | 15,551,800 | 1,007,400 | | | 6.5% | |
| ACCUMULATED DEFICIT | | | | | | | | | | | | | |
| | | | | | | | - | - | - | | | #DIV/0! | |
| TOTAL APPROPRIATIONS & ACCUMULATED DEFICIT | | | | | | | | | | | | | |
| | 16,559,200 | | | | | | 16,559,200 | 15,551,800 | 1,007,400 | | | 6.5% | |
| UNRESTRICTED NET POSITION UTILIZED | | | | | | | | | | | | | |
| Municipality/County Appropriation | | | | | | | - | - | - | | | #DIV/0! | |
| Other | (136,642) | | | | | | (136,642) | 16,335 | (152,977) | | | -936.5% | |
| Total Unrestricted Net Position Utilized | (136,642) | | | | | | (136,642) | 16,335 | (152,977) | | | -936.5% | |
| TOTAL NET APPROPRIATIONS | \$ 16,695,842 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 16,695,842 | \$ 15,535,465 | \$ 1,160,377 | | | 7.5% | |

* 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 \$ 703,352.96 \$ - \$ - \$ - \$ - \$ - \$ 703,352.96

| ITEMIZED MISCELLANEOUS COPS | |
|---|---------------------|
| Meals | \$ 5,000 |
| Facility Groundskeeping | 132,400.00 |
| Facility Maintenance | 89,600.00 |
| Services Maintenance | 15,000.00 |
| Mains and Valves Maintenance | 230,600.00 |
| Hydrant and Valve Maintenance | 46,500.00 |
| Traffic Control | 123,000.00 |
| Concrete Repairs, Pavement Restoration and Spoils Removal | 400,300.00 |
| Uniforms | 20,900.00 |
| Health, Safety and Security Training | 25,000.00 |
| Health, Safety and Security Services | 142,300.00 |
| Total Miscellaneous COPS | \$ 1,230,600 |

Prior Year Adopted Appropriations Schedule

The Southeast Morris County Municipal Utilities Authority

FY 2019 Adopted Budget

| | Water | N/A | N/A | N/A | N/A | N/A | Total All Operations |
|--|----------------------|-------------|-------------|-------------|-------------|-------------|----------------------|
| OPERATING APPROPRIATIONS | | | | | | | |
| <i>Administration - Personnel</i> | | | | | | | |
| Salary & Wages | \$ 1,534,059 | | | | | | \$ 1,534,059 |
| Fringe Benefits | 852,025 | | | | | | 852,025 |
| Total Administration - Personnel | 2,386,084 | - | - | - | - | - | 2,386,084 |
| <i>Administration - Other (List)</i> | | | | | | | |
| Legal Services | 173,600 | | | | | | 173,600 |
| Various Engineering & Consultants | 149,000 | | | | | | 149,000 |
| Finance Admin & Customer Service | 275,600 | | | | | | 275,600 |
| It Services, Support, Phone contracts | 370,100 | | | | | | 370,100 |
| Miscellaneous Administration* | 144,400 | | | | | | 144,400 |
| Total Administration - Other | 1,112,700 | - | - | - | - | - | 1,112,700 |
| Total Administration | 3,498,784 | - | - | - | - | - | 3,498,784 |
| <i>Cost of Providing Services - Personnel</i> | | | | | | | |
| Salary & Wages | 2,263,841 | | | | | | 2,263,841 |
| Fringe Benefits | 1,230,152 | | | | | | 1,230,152 |
| Total COPS - Personnel | 3,493,993 | - | - | - | - | - | 3,493,993 |
| <i>Cost of Providing Services - Other (List)</i> | | | | | | | |
| Purchased Water | 1,844,223 | | | | | | 1,844,223 |
| Energy & Fuel Costs | 1,229,500 | | | | | | 1,229,500 |
| Treatment & Testing Chemicals & Equipment | 1,218,300 | | | | | | 1,218,300 |
| Taxes, Insurance, State Fees | 711,600 | | | | | | 711,600 |
| Miscellaneous COPS* | 1,061,400 | | | | | | 1,061,400 |
| Total COPS - Other | 6,065,023 | - | - | - | - | - | 6,065,023 |
| Total Cost of Providing Services | 9,559,016 | - | - | - | - | - | 9,559,016 |
| Total Principal Payments on Debt Service In Lieu of Depreciation | 1,771 | - | - | - | - | - | 1,771 |
| Total Operating Appropriations | 13,059,571 | - | - | - | - | - | 13,059,571 |
| NON-OPERATING APPROPRIATIONS | | | | | | | |
| Total Interest Payments on Debt | 28,229 | - | - | - | - | - | 28,229 |
| Operations & Maintenance Reserve | | | | | | | - |
| Renewal & Replacement Reserve | 2,464,000 | | | | | | 2,464,000 |
| Municipality/County Appropriation | | | | | | | - |
| Other Reserves | | | | | | | - |
| Total Non-Operating Appropriations | 2,492,229 | - | - | - | - | - | 2,492,229 |
| TOTAL APPROPRIATIONS | 15,551,800 | - | - | - | - | - | 15,551,800 |
| ACCUMULATED DEFICIT | | | | | | | - |
| TOTAL APPROPRIATIONS & ACCUMULATED DEFICIT | 15,551,800 | - | - | - | - | - | 15,551,800 |
| UNRESTRICTED NET POSITION UTILIZED | | | | | | | |
| Municipality/County Appropriation | | | | | | | - |
| Other | 16,335 | | | | | | 16,335 |
| Total Unrestricted Net Position Utilized | 16,335 | - | - | - | - | - | 16,335 |
| TOTAL NET APPROPRIATIONS | \$ 15,535,465 | \$ - | \$ 15,535,465 |

* 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 \$ 652,978.54 \$ - \$ - \$ - \$ - \$ - \$ 652,978.54

Debt Service Schedule - Principal

The Southeast Morris County Municipal Utilities Authority

If Authority has no debt X this box

Fiscal Year Ending in

| | Adopted Budget Year 2019 | Proposed Budget Year 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | Thereafter | Total Principal Outstanding |
|---------------------------------------|-----------------------------|---------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------------------------|
| <i>Water</i> | | | | | | | | | |
| Purchase Of Authority Rights | \$ 1,771 | \$ 1,859 | | | | | | | \$ 1,859 |
| Type in Issue Name | | | | | | | | | - |
| Type in Issue Name | | | | | | | | | - |
| Type in Issue Name | | | | | | | | | - |
| Total Principal | <u>1,771</u> | <u>1,859</u> | - | - | - | - | - | - | <u>1,859</u> |
| <i>N/A</i> | | | | | | | | | |
| Type in Issue Name | | | | | | | | | - |
| Type in Issue Name | | | | | | | | | - |
| Type in Issue Name | | | | | | | | | - |
| Type in Issue Name | | | | | | | | | - |
| Total Principal | - | - | - | - | - | - | - | - | - |
| <i>N/A</i> | | | | | | | | | |
| Type in Issue Name | | | | | | | | | - |
| Type in Issue Name | | | | | | | | | - |
| Type in Issue Name | | | | | | | | | - |
| Type in Issue Name | | | | | | | | | - |
| Total Principal | - | - | - | - | - | - | - | - | - |
| <i>N/A</i> | | | | | | | | | |
| Type in Issue Name | | | | | | | | | - |
| Type in Issue Name | | | | | | | | | - |
| Type in Issue Name | | | | | | | | | - |
| Type in Issue Name | | | | | | | | | - |
| Total Principal | - | - | - | - | - | - | - | - | - |
| <i>N/A</i> | | | | | | | | | |
| Type in Issue Name | | | | | | | | | - |
| Type in Issue Name | | | | | | | | | - |
| Type in Issue Name | | | | | | | | | - |
| Type in Issue Name | | | | | | | | | - |
| Total Principal | - | - | - | - | - | - | - | - | - |
| <i>N/A</i> | | | | | | | | | |
| Type in Issue Name | | | | | | | | | - |
| Type in Issue Name | | | | | | | | | - |
| Type in Issue Name | | | | | | | | | - |
| Type in Issue Name | | | | | | | | | - |
| Total Principal | - | - | - | - | - | - | - | - | - |
| TOTAL PRINCIPAL ALL OPERATIONS | \$ 1,771 | \$ 1,859 | \$ - | \$ 1,859 |

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 & Poors</u> |
|---------------------|----------------|--------------|-----------------------------|
| Bond Rating | | | |
| Year of Last Rating | | | |

Debt Service Schedule - Interest
The Southeast Morris County Municipal Utilities Authority

If Authority has no debt X this box

Fiscal Year Ending in

| | Adopted Budget Year 2019 | Proposed Budget Year 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | Thereafter | Total Interest Payments Outstanding |
|--------------------------------------|-----------------------------|---------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|---|
| <i>Water</i> | | | | | | | | | |
| Purchase of Authority Rights | \$ 28,229 | \$ 28,141 | | | | | | | \$ 28,141 |
| Type in Issue Name | | | | | | | | | - |
| Type in Issue Name | | | | | | | | | - |
| Type in Issue Name | | | | | | | | | - |
| Total Interest Payments | 28,229 | 28,141 | - | - | - | - | - | - | 28,141 |
| <i>N/A</i> | | | | | | | | | |
| Type in Issue Name | | | | | | | | | - |
| Type in Issue Name | | | | | | | | | - |
| Type in Issue Name | | | | | | | | | - |
| Type in Issue Name | | | | | | | | | - |
| Total Interest Payments | - | - | - | - | - | - | - | - | - |
| <i>N/A</i> | | | | | | | | | |
| Type in Issue Name | | | | | | | | | - |
| Type in Issue Name | | | | | | | | | - |
| Type in Issue Name | | | | | | | | | - |
| Type in Issue Name | | | | | | | | | - |
| Total Interest Payments | - | - | - | - | - | - | - | - | - |
| <i>N/A</i> | | | | | | | | | |
| Type in Issue Name | | | | | | | | | - |
| Type in Issue Name | | | | | | | | | - |
| Type in Issue Name | | | | | | | | | - |
| Type in Issue Name | | | | | | | | | - |
| Total Interest Payments | - | - | - | - | - | - | - | - | - |
| <i>N/A</i> | | | | | | | | | |
| Type in Issue Name | | | | | | | | | - |
| Type in Issue Name | | | | | | | | | - |
| Type in Issue Name | | | | | | | | | - |
| Type in Issue Name | | | | | | | | | - |
| Total Interest Payments | - | - | - | - | - | - | - | - | - |
| <i>N/A</i> | | | | | | | | | |
| Type in Issue Name | | | | | | | | | - |
| Type in Issue Name | | | | | | | | | - |
| Type in Issue Name | | | | | | | | | - |
| Type in Issue Name | | | | | | | | | - |
| Total Interest Payments | - | - | - | - | - | - | - | - | - |
| TOTAL INTEREST ALL OPERATIONS | \$ 28,229 | \$ 28,141 | \$ - | \$ 28,141 |

Net Position Reconciliation

The Southeast Morris County Municipal Utilities Authority

For the Period January 1, 2020 to December 31, 2020

FY 2020 Proposed Budget

| | Water | N/A | N/A | N/A | N/A | N/A | Total All Operations |
|--|---------------|------|------|------|------|------|----------------------|
| TOTAL NET POSITION BEGINNING OF LATEST AUDIT REPORT YEAR(1) | \$ 64,658,238 | | | | | | \$ 64,658,238 |
| Less: Invested in Capital Assets, Net of Related Debt (1) | 71,152,779 | | | | | | 71,152,779 |
| Less: Restricted for Debt Service Reserve (1) | 4,000,702 | | | | | | 4,000,702 |
| Less: Other Restricted Net Position (1) | | | | | | | - |
| Total Unrestricted Net Position (1) | (10,495,243) | - | - | - | - | - | (10,495,243) |
| Less: Designated for Non-Operating Improvements & Repairs | | | | | | | - |
| Less: Designated for Rate Stabilization | | | | | | | - |
| Less: Other Designated by Resolution | | | | | | | - |
| Plus: Accrued Unfunded Pension Liability (1) | 8,018,724 | | | | | | 8,018,724 |
| Plus: Accrued Unfunded Other Post-Employment Benefit Liability (1) | 9,832,996 | | | | | | 9,832,996 |
| Plus: Estimated Income (Loss) on Current Year Operations (2) | | | | | | | - |
| Plus: Other Adjustments (attach schedule) | | | | | | | - |
| UNRESTRICTED NET POSITION AVAILABLE FOR USE IN PROPOSED BUDGET | 7,356,477 | - | - | - | - | - | 7,356,477 |
| Unrestricted Net Position Utilized to Balance Proposed Budget | (136,642) | - | - | - | - | - | (136,642) |
| Unrestricted Net Position Utilized in Proposed Capital Budget | 5,217,039 | - | - | - | - | - | 5,217,039 |
| Appropriation to Municipality/County (3) | - | - | - | - | - | - | - |
| Total Unrestricted Net Position Utilized in Proposed Budget | 5,080,397 | - | - | - | - | - | 5,080,397 |
| PROJECTED UNRESTRICTED UNDESIGNATED NET POSITION AT END OF YEAR | | | | | | | |
| Last issued Audit Report (4) | \$ 2,276,080 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 2,276,080 |

(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 \$ 703,353 \$ - \$ - \$ - \$ - \$ - \$ 703,353

(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.

**2020 (2020-2021)
THE SOUTHEAST
MORRIS COUNTY
MUNICIPAL
UTILITIES
AUTHORITY
AUTHORITY
CAPITAL
BUDGET/
PROGRAM**

2019 CERTIFICATION OF AUTHORITY CAPITAL BUDGET/PROGRAM

THE SOUTHEAST MORRIS COUNTY MUNICIPAL UTILITIES AUTHORITY

FISCAL YEAR: FROM: January 1, 2020 **TO:** December 31, 2020

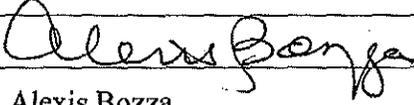
enter X to the left if this paragraph is applicable

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 24th day of October, 2019.

OR

enter X to the left if this paragraph is applicable

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: | Alexis Bozza | | |
| Title: | Assistant Secretary | | |
| Address: | 19 Saddle Rd Cedar Knolls, NJ 07927 | | |
| Phone Number: | 973-326-6867 | Fax Number: | 973-326-9521 |
| E-mail address | abozza@smcmua.org | | |

2020 (2020-2021) CAPITAL BUDGET/PROGRAM MESSAGE

The Southeast Morris County Municipal Utilities Authority

FISCAL YEAR: FROM: January 1, 2020 TO: December 31, 2020

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 (This may include the governing body or certain officials such as planning boards, Construction Code Officials) as to these Projects?

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 made its last bond payment in 2016 and the only remaining debt it has is a \$30,000 annual payment to one of the creating Municipalities until 2076. 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 (5 years or more) infrastructure needs and other capital items (Vehicles, Equipment) needs assessment been prepared?

The existing Water Supply Master Plan, created in 2006 and updated in 2012, and annual updates to planned expenditures are conducted on an annual basis for the next six (6) year budget cycle.

4. If amounts are on Page CB-3 in the column Debt Authorizations. Indicate the primary source of funding the debt service for the Debt Authorizations (Example Rate Increases Funding or Other sources)

The Authority made the final payment for the 2010 Series Bonds in 2016 and maintains a debt of \$30,000 per year, through 2076, for the purchase of the assets originally owned by the Town of Morristown. The Authority has designed the six (6) year budget to cash fund all capital projects and intends to remain debt free, minus the Morristown payment, into the future. An effective annual increase in revenues of approximately 8% will be required to cash fund the capital projects; however, the actual rate increase may be reduced if connection fees are collected through the various years in the six (6) year budgeting cycle.

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.

Add additional sheets if necessary.

| Budget | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2020 to 2025 TOTAL |
|-------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|-----------------------|
| Engineering | \$ 776,439 | \$ 1,031,379 | \$ 941,379 | \$ 771,379 | \$ 621,379 | \$ 621,379 | \$ 4,763,334 |
| Facilities | \$ 565,804 | \$ 580,804 | \$ 630,804 | \$ 630,804 | \$ 630,804 | \$ 630,804 | \$ 3,669,824 |
| IT | \$ 124,500 | \$ 332,500 | \$ 352,500 | \$ 347,500 | \$ 222,500 | \$ 72,500 | \$ 1,452,000 |
| Meters and MTUs | \$ 255,000 | \$ 255,000 | \$ 435,000 | \$ 470,000 | \$ 470,000 | \$ 470,000 | \$ 2,355,000 |
| Transmission and Distribution | \$ 2,086,326 | \$ 3,050,000 | \$ 3,000,000 | \$ 3,162,000 | \$ 3,162,000 | \$ 3,162,000 | \$ 17,622,326 |
| Treatment and Pumping | \$ 1,165,250 | \$ 745,000 | \$ 540,000 | \$ 360,000 | \$ 250,000 | \$ 325,000 | \$ 3,385,250 |
| Vehicles | \$ 91,000 | \$ 70,000 | \$ 98,000 | \$ 110,000 | \$ 98,000 | \$ 98,000 | \$ 565,000 |
| Equipment | \$ 152,720 | \$ 90,000 | \$ 109,000 | \$ 89,000 | \$ 20,000 | \$ 100,000 | \$ 560,720 |
| | \$ 5,217,039 | \$ 6,154,683 | \$ 6,106,683 | \$ 5,940,683 | \$ 5,474,683 | \$ 5,479,683 | \$ 34,373,454 |

Proposed Capital Budget

The Southeast Morris County Municipal Utilities Authority
 For the Period January 1, 2020 to December 31, 2020

| | Estimated Total Cost | Funding Sources | | | |
|--------------------------------------|----------------------|------------------------------------|-------------------------------|--------------------|------------------------------|
| | | Unrestricted Net Position Utilized | Renewal & Replacement Reserve | Debt Authorization | Other Capital Grants Sources |
| <i>Water</i> | | | | | |
| See Attached Schedule | \$ 5,217,039 | \$ 5,217,039 | | | |
| Type in Description | - | | | | |
| Type in Description | - | | | | |
| Type in Description | - | | | | |
| Total | 5,217,039 | 5,217,039 | | | |
| <i>N/A</i> | | | | | |
| Type in Description | - | | | | |
| Type in Description | - | | | | |
| Type in Description | - | | | | |
| Type in Description | - | | | | |
| Total | - | - | | | |
| <i>N/A</i> | | | | | |
| Type in Description | - | | | | |
| Type in Description | - | | | | |
| Type in Description | - | | | | |
| Type in Description | - | | | | |
| Total | - | - | | | |
| <i>N/A</i> | | | | | |
| Type in Description | - | | | | |
| Type in Description | - | | | | |
| Type in Description | - | | | | |
| Type in Description | - | | | | |
| Total | - | - | | | |
| <i>N/A</i> | | | | | |
| Type in Description | - | | | | |
| Type in Description | - | | | | |
| Type in Description | - | | | | |
| Type in Description | - | | | | |
| Total | - | - | | | |
| TOTAL PROPOSED CAPITAL BUDGET | \$ 5,217,039 | \$ 5,217,039 | \$ - | \$ - | \$ - |

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 Municipal Utilities Authority
 For the Period January 1, 2020 to December 31, 2020

Fiscal Year Beginning In

| | Estimated Total Cost | Current Budget | | | | | |
|-----------------------|----------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | | Year 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
| <i>Water</i> | | | | | | | |
| See Attached Schedule | \$ 34,373,454 | \$ 5,217,039 | \$ 6,154,683 | \$ 6,106,683 | \$ 5,940,683 | \$ 5,474,683 | \$ 5,479,683 |
| Type in Description | - | - | | | | | |
| Type in Description | - | - | | | | | |
| Type in Description | - | - | | | | | |
| Total | 34,373,454 | 5,217,039 | 6,154,683 | 6,106,683 | 5,940,683 | 5,474,683 | 5,479,683 |
| <i>N/A</i> | | | | | | | |
| Type in Description | - | - | | | | | |
| Type in Description | - | - | | | | | |
| Type in Description | - | - | | | | | |
| Type in Description | - | - | | | | | |
| Total | - | - | - | - | - | - | - |
| <i>N/A</i> | | | | | | | |
| Type in Description | - | - | | | | | |
| Type in Description | - | - | | | | | |
| Type in Description | - | - | | | | | |
| Type in Description | - | - | | | | | |
| Total | - | - | - | - | - | - | - |
| <i>N/A</i> | | | | | | | |
| Type in Description | - | - | | | | | |
| Type in Description | - | - | | | | | |
| Type in Description | - | - | | | | | |
| Type in Description | - | - | | | | | |
| Total | - | - | - | - | - | - | - |
| <i>N/A</i> | | | | | | | |
| Type in Description | - | - | | | | | |
| Type in Description | - | - | | | | | |
| Type in Description | - | - | | | | | |
| Type in Description | - | - | | | | | |
| Total | - | - | - | - | - | - | - |
| TOTAL | \$ 34,373,454 | \$ 5,217,039 | \$ 6,154,683 | \$ 6,106,683 | \$ 5,940,683 | \$ 5,474,683 | \$ 5,479,683 |

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 Municipal Utilities Authority
For the Period January 1, 2020 to December 31, 2020

| | Estimated Total Cost | Funding Sources | | | |
|----------------------------|-------------------------|--|-------------------------------------|-----------------------|---------------------------------|
| | | Unrestricted Net Position Utilized | Renewal & Replacement Reserve | Debt Authorization | Capital Grants Other Sources |
| <i>Water</i> | | | | | |
| See Attached Schedule | \$ 34,373,454 | \$ 34,373,454 | | | |
| Type in Description | - | | | | |
| Type in Description | - | | | | |
| Type in Description | - | | | | |
| Total | 34,373,454 | 34,373,454 | - | - | - |
| <i>N/A</i> | | | | | |
| Type in Description | - | | | | |
| Type in Description | - | | | | |
| Type in Description | - | | | | |
| Type in Description | - | | | | |
| Total | - | - | - | - | - |
| <i>N/A</i> | | | | | |
| Type in Description | - | | | | |
| Type in Description | - | | | | |
| Type in Description | - | | | | |
| Type in Description | - | | | | |
| Total | - | - | - | - | - |
| <i>N/A</i> | | | | | |
| Type in Description | - | | | | |
| Type in Description | - | | | | |
| Type in Description | - | | | | |
| Type in Description | - | | | | |
| Total | - | - | - | - | - |
| <i>N/A</i> | | | | | |
| Type in Description | - | | | | |
| Type in Description | - | | | | |
| Type in Description | - | | | | |
| Type in Description | - | | | | |
| Total | - | - | - | - | - |
| <i>N/A</i> | | | | | |
| Type in Description | - | | | | |
| Type in Description | - | | | | |
| Type in Description | - | | | | |
| Type in Description | - | | | | |
| Total | - | - | - | - | - |
| TOTAL | \$ 34,373,454 | \$ 34,373,454 | \$ - | \$ - | \$ - |
| Total 5 Year Plan per CB-4 | \$ 34,373,454 | | | | |
| 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.