

# 2016

EVESHAM MUNICIPAL UTILITIES AUTHORITY

## Authority Budget

[www.eveshammua.com](http://www.eveshammua.com)  
(Authority Web Address)

**Department Of**



**Community  
Affairs**



**Division of Local Government Services**

# **2016 AUTHORITY BUDGET**

## **Certification Section**

2016

**EVESHAM MUNICIPAL UTILITIES AUTHORITY**

(Name)

**AUTHORITY BUDGET**

**FISCAL YEAR: FROM JULY 1, 2015 TO JUNE 30, 2016**

**For Division Use Only**

**CERTIFICATION OF APPROVED BUDGET**

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

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

By: C. M. Zappala Date: 4/27/15

**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: Christie M. Zappala Date: 6/17/15

# 2016 PREPARER'S CERTIFICATION

## EVESHAM MUNICIPAL UTILITIES AUTHORITY


(Name)

### AUTHORITY BUDGET

**FISCAL YEAR:** FROM: July 1, 2015 **TO:** June 30, 2016

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

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

Preparer's Signature:			
Name:	Laura Puszczy		
Title:	Assistant Executive Director of Business		
Address:	P.O. Box 467 Marlton, NJ 08053-0467		
Phone Number:	(856) 983-1878	Fax Number:	(856) 983-9145
E-mail address	puszczy@evesham-nj.gov		



# 2016 APPROVAL CERTIFICATION

## EVESHAM MUNICIPAL UTILITIES AUTHORITY

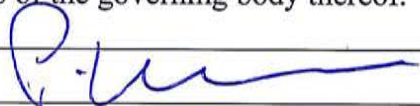
(Name)

### AUTHORITY BUDGET

**FISCAL YEAR:**    **FROM:**    July 1, 2015    **TO:**    June 30, 2016

It is hereby certified that the Authority Budget, including all schedules appended hereto, are a true copy of the Annual Budget and Capital Budget/Program approved by resolution by the governing body of the Evesham Municipal Utilities Authority, at an open public meeting held pursuant to N.J.A.C. 5:31-2.3, on the 1<sup>st</sup> day of April, 2015.

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

Officer's Signature:			
Name:	Philip Wessner		
Title:	Secretary		
Address:	P.O. Box 467 Marlton, NJ 08053-0467		
Phone Number:	(856) 983-1878	Fax Number:	(856) 983-9145
E-mail address	wessnerp@evesham-nj.gov		

# INTERNET WEBSITE CERTIFICATION

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

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

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

Name of Officer Certifying compliance

Laura Puszcz

Title of Officer Certifying compliance

Assistant Executive Director of Business

Signature





# 2016 AUTHORITY BUDGET RESOLUTION

## EVESHAM MUNICIPAL UTILITIES AUTHORITY

(Name)

**Resolution #2015-45**

**FISCAL YEAR:** FROM: July 1, 2015 TO: June 30, 2016

WHEREAS, the Annual Budget and Capital Budget for the Evesham Municipal Utilities Authority for the fiscal year beginning, July 1, 2015 and ending, June 30, 2016 has been presented before the governing body of the Evesham Municipal Utilities Authority at its open public meeting of April 1, 2015; and

WHEREAS, the Annual Budget as introduced reflects Total Revenues of \$17,449,535.00, Total Appropriations, including any Accumulated Deficit if any, of \$ 18,228,770.00 and Total Unrestricted Net Position utilized of \$779,235.00; and

WHEREAS, the Capital Budget as introduced reflects Total Capital Appropriations of \$4,621,250.00 and Total Unrestricted Net Position planned to be utilized as funding thereof, of \$2,221,250.00; and Debt Authorized totally \$2,400,000.00; and

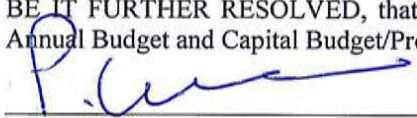
WHEREAS, the schedule of rates, fees and other charges in effect will produce sufficient revenues, together with all other anticipated revenues to satisfy all obligations to the holders of bonds of the Authority, to meet operating expenses, capital outlays, debt service requirements, and to provide for 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 Evesham Municipal Utilities Authority, at an open public meeting held on April 1, 2015 that the Annual Budget, including all related schedules, and the Capital Budget/Program of the Evesham Municipal Utilities Authority for the fiscal year beginning, July 1, 2015 and ending, June 30, 2016 is hereby approved; and

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

BE IT FURTHER RESOLVED, that the governing body of the Evesham Municipal Utilities Authority will consider the Annual Budget and Capital Budget/Program for adoption on May 6, 2015.

  
(Secretary's Signature)

4/2/15  
(Date)

Governing Body  
Member:

Recorded Vote

Aye

Nay

Abstain

Absent

Joseph Fisicaro

X

Edward T. Waters

X

Philip Wessner

X

Daniel E. Morton

X

George Tencza

X

Albert Lutner

Michele Hassall

> (Alternates - no vote)

# 2016 ADOPTION CERTIFICATION

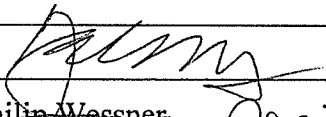
## EVESHAM MUNICIPAL UTILITIES AUTHORITY

(Name)

### AUTHORITY BUDGET

FISCAL YEAR: FROM: July 1, 2015 TO: June 30, 2016

It is hereby certified that the Authority Budget and Capital Budget/Program annexed hereto is a true copy of the Budget adopted by the governing body of the Evesham Municipal Utilities Authority, pursuant to N.J.A.C. 5:31-2.3, on the 6<sup>th</sup> day of May, 2015.

Officer's Signature:			
Name:	<del>Philip Wessner</del> Daniel Morton		
Title:	Secretary (ASST)		
Address:	P.O. Box 467 Marlton, NJ 08053-0467		
Phone Number:	(856) 983-1878	Fax Number:	(856) 983-9145
E-mail address	<del>wessnerp</del> morton.d@evesham-nj.gov		



# 2016 ADOPTED BUDGET RESOLUTION

Resolution #2015 - 66

## EVESHAM MUNICIPAL UTILITIES AUTHORITY

(Name)

### AUTHORITY BUDGET

**FISCAL YEAR:**    **FROM:**    July 1, 2015    **TO:**    June 30, 2016

WHEREAS, the Annual Budget and Capital Budget/Program for the Evesham Municipal Utilities Authority for the fiscal year beginning July 1, 2015 and ending, June 30, 2016 has been presented for adoption before the governing body of the Evesham Municipal Utilities Authority at its open public meeting of May 6, 2015; and

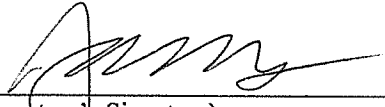
WHEREAS, the Annual Budget and Capital Budget as presented for adoption reflects each item of revenue and appropriation in the same amount and title as set forth in the introduced and approved budget, including all amendments thereto, if any, which have been approved by the Director of the Division of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

WHEREAS, the Annual Budget as presented for adoption reflects Total Revenues of \$17,449,535.00, Total Appropriations, including any Accumulated Deficit, if any, of \$18,228,770.00 and Total Unrestricted Net Position utilized of \$779,235.00; and

WHEREAS, the Capital Budget as introduced reflects Total Capital Appropriations of \$4,621,250.00 and Total Unrestricted Net Position planned to be utilized as funding thereof, of \$2,221,250.00 and Debt Authorized totaling \$2,400,000.00; and

NOW, THEREFORE BE IT RESOLVED, by the governing body of Evesham Municipal Utilities Authority, at an open public meeting held on May 6, 2015 that the Annual Budget and Capital Budget/Program of the Evesham Municipal Utilities Authority for the fiscal year beginning, July 1, 2015 and ending June 30, 2016 is hereby adopted and shall constitute appropriations for the purposes stated; and

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

  
(Secretary's Signature)

5.6.15  
(Date)

Governing Body Member:	Recorded Vote			
	Aye	Nay	Abstain	Absent
Joseph Fisicaro	X			
Edward T. Waters	X			X
Philip Wessner				
Daniel E. Morton	X			
<del>Philip Wessner</del> George Terenza				X
Albert Lutner	X			
Michele Hassall	X			

# **2016 AUTHORITY BUDGET**

## **Narrative and Information Section**

# 2016 AUTHORITY BUDGET MESSAGE & ANALYSIS

## EVESHAM MUNICIPAL UTILITIES AUTHORITY

(Name)

### AUTHORITY BUDGET

**FISCAL YEAR:**    **FROM:**    July 1, 2015    **TO:**    June 30, 2016

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

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

**Administration:**

Fringe Benefits - +\$43,200 or 22.4% - Authority is self-insured for health benefits and is experiencing one employee whose cost will reach the stop loss maximum.

Office Expenses - +\$144,000 or 59.3% - The Township is in the process of acquiring a building and the Authority is exploring the possibility of moving its administration office to the new building. The Authority anticipates paying the Township rent and sharing in the maintenance cost. The Authority is not sure when this will occur but has budgeted for possible expenses.

**Cost of Providing Service:**

Miscellaneous - +\$57,500 or 34.2% - The Authority has included costs associated with its Operators Challenge Team in the FY 2016 budget.

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

The Authority realizes this budget will cause increases to its water and sewer user rates. The Authority is currently evaluating its financial position in order to determine how much of a rate increase will be necessary.

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

The local/regional economy is stable and has no real impact on the annual budget.

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

To provide funds for amounts to be transferred to the Township

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

The Township annually requests the 5% allowable amount.

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

N/A - None

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

See Attached

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

See Attached



# THE EVESHAM MUNICIPAL UTILITIES AUTHORITY

## RATE SCHEDULE

### LATEST REVISION:

#### CONNECTION FEES:

ADOPTED: August 6, 2014

EFFECTIVE: August 7, 2014

#### SERVICE CHARGES:

ADOPTED: June 26, 2013

EFFECTIVE: July 1, 2013

**The Evesham Municipal Utilities Authority  
Post Office Box 467  
Evesham Township Municipal Complex  
984 Tuckerton Road  
Suite 211  
Marlton, New Jersey 08053  
(856) 983-1878**

## **RATE SCHEDULE**

### **In General**

The provisions of The Evesham Municipal Utilities Authority Rules and Regulations which apply to the charges contained in this Rate Schedule, or which fix and determine the time or times when, and the place or places where, the charges contained in this Rate Schedule are due and payable, are incorporated herein and made a part hereof. The Authority reserves the right to bill service charges on a monthly, quarterly or other such periodic basis as it deems appropriate.

**RATE SCHEDULE**

**POTABLE WATER**

**SCHEDULE 1W**  
**WATER CONNECTION FEES**

**CLASS 1. RESIDENTIAL**

Single-family, condominiums, townhouses,  
apartments, multifamily, duplex, age restricted,  
trailers, mobile homes (per unit) \$2,298.00

**CLASS 2. NON-RESIDENTIAL: HOTEL OR MOTEL**

(Per guest room) \$1,149.00

This portion of the connection fee applies only to the number of units available for transient occupancy. The connection fee for the non-occupancy portion of the building shall be based upon estimated usage from the remainder of the building, including kitchens, restaurants, taverns, laundries, offices, convention or meeting rooms, sport or athletic facilities, common areas and restrooms, at the Class 3 per gallon per day rate.

**CLASS 3. NON-RESIDENTIAL: GENERAL**

Per Gallon Per Day	\$ 11.11
Minimum Connection Fee (per unit)	\$2,298.00

A minimum water connection charge for non-residential users shall be imposed, in an amount equal to the residential connection fee regardless of whether the estimated water usage is less than the residential rate of usage.

**CLASS 4. CONNECTION FEES FOR CERTAIN AFFORDABLE HOUSING PROJECTS**

Connection fees to public housing authorities and non-profit organizations building affordable housing projects that consist of new connections to the system are to be computed by providing a 50% reduction in the connection fee established in this Rate Schedule.

Connection fees to public housing authorities and non-profit organizations building affordable housing projects that consist of replacement units for demolished or refurbished units, and for which a connection fee was previously paid, are to be computed by charging the lesser of a.) the reduced rate of 50% of the connection fee established in this Rate Schedule, or b.) the connection fee established in this Rate Schedule, minus a credit in the amount of a connection fee previously paid for the housing units being replaced, provided the public housing authority and non-profit organization can establish the connection fee previously paid. If the amount of the previous connection fee cannot be established, the reduced rate of 50% of the connection fee established in this Rate Schedule shall apply.



## CLASS 5. IRRIGATION, LAWN SPRINKLERS OR SWIMMING POOLS

1 inch or less	\$ 3,504.00
1-1/2 inch	\$ 6,063.00
2 inches	\$ 9,138.00
3 inches	\$18,269.00
4 inches	\$31,546.00

## CLASS 6. FIRE SERVICE, PUBLIC AND PRIVATE

No connection fee. Annual service charges only.

## Class 7: CONNECTION FEES FOR PROJECTS IN CERTAIN REDEVELOPMENT AND REHABILITATION ZONES

Connection fees for projects located in areas of Evesham Township that have been designated as an Area in Need of Redevelopment or Rehabilitation pursuant to the New Jersey Local Redevelopment and Housing Law, N.J.A.C. 40A:12A-1 et seq by the Evesham Township Council are to be computed by providing a 50% reduction in connection fees established in this Rate Schedule.

Connection fees for projects that are located in a designated Redevelopment or Rehabilitation Area that consist of replacement units for demolished or refurbished housing units, and for which a connection fee was previously paid, are to be computed by charging the lesser of A.) the reduced rate of 50% of the connection fee established in this Rate Schedule, or B.) the connection fee established in this Rate Schedule, minus a credit in the amount of a connection fee previously paid for the housing units being replaced, provided the project's developer can establish the connection fee previously paid. If the amount of the previous connection fee cannot be established, the reduced rate of 50% of the connection fee established in this Rate Schedule shall apply.

Connection fees for projects that are located in a designated Redevelopment or Rehabilitation Area shall require a minimum payment of 50% due upon approval with the remaining balance of the connection fees due within one year of approval.

## GENERAL REQUIREMENTS APPLICABLE TO WATER CONNECTION FEES

A. An applicant shall pay a water connection fee for each equivalent dwelling unit at the time that a water permit is requested, in an amount as established by the Authority's Rate Schedule in effect at the time that service is requested. All water connection fees shall be paid in full prior to the issuance of a construction permit for the premises.

B. Connection fees for non-residential users shall be based upon the Authority's calculation of estimated usage multiplied by the rate per gallon per day contained in the

Rate Schedule. A minimum water connection fee per unit for non-residential users shall be imposed, in an amount equal to the residential connection fee regardless of whether the estimated usage is less than the residential rate of usage.

C. The projected flow criteria contained in N.J.A.C. 7:14A-23.3 shall be used to determine the estimated water consumption for non-residential uses, whenever practicable. In the event that a type of use is not listed in N.J.A.C. 7:14A-23.3, the Authority shall use its best judgment in determining estimated water consumption. The Authority may adopt additions or exceptions to the flow projections contained in N.J.A.C. 7:14A-23.3 by resolution. For the purpose of this Rate Schedule, any reference to "seat" or "person" in N.J.A.C. 7:14A-23.3 or in any projected flow criteria adopted by the Authority shall be deemed to mean the maximum permitted occupancy established pursuant to the Uniform Construction Code and/or the Uniform Fire Code.

D. In the event that an application is made for water service to a non-residential building or unit for which the types or sizes of the uses therein have not been determined by the applicant, or are subject to change in the future, a connection fee shall be assessed based upon the maximum potential estimated water consumption in the building or unit. The Authority, in its discretion, may enter into a deferred connection fee agreement under which an initial connection fee would be imposed only for those uses that are initially contemplated, and which would defer the payment of the balance of the connection fee until such time as a use for which the initial connection fee was paid is changed to a use that will generate additional water consumption. Any connection fee paid under a deferred connection fee agreement shall be paid at the connection fee rate then prevailing at that time that payment is made.

E. A non-residential user shall be entitled to use the amount of water capacity, in gallons per day, that was obtained through the payment of connection fees, as well as such additional capacity actually used by its building or unit without having undergone a physical or operational change for which a building permit, site plan, subdivision, variance or other municipal approval was required. An application for additional capacity shall be made by any existing non-residential user whenever there is an increase in the estimated, projected water consumption for any existing building or unit resulting from any physical change for which a new connection to the Authority's water distribution system is required. A connection fee shall be charged to the user based upon the increase in estimated water consumption associated with the aforesaid physical or operational change.

F. In the event that an application is made to reinstate water service to a residential structure that was previously abandoned or terminated when the prior structure was demolished or substantially totally destroyed, no additional connection fee shall be due provided that the application for service is made within seven (7) years of the date of the prior termination of service.

G. In the event that an application is made to reinstate water service to a non-residential structure that was previously abandoned or terminated when the prior structure

was demolished or substantially totally destroyed, no additional connection fee shall be due, provided that: (1) the applicant has continued to pay water service charges for the property on a quarterly basis as those charges became due, and (2) there is no change in the estimated water usage of the building. In the event that condition (1) herein has been satisfied, but there will be an increase in the estimated water usage of the building, then the applicant shall pay a connection fee only on the amount of the increase in the estimated water usage.

## SCHEDULE 2W

### POTABLE WATER SERVICE CHARGES

#### 1. Residential Users

##### (a) Rates:

###### BASE CHARGE:

For users connected to and operational with the Authority's AMR System:  
\$40.00 per year (\$10.00 per quarter) per unit

###### BASE CHARGE:

For users not connected to and operational with the Authority's AMR System:  
\$64.00 per year (\$16.00 per quarter) per unit

###### CONSUMPTION CHARGE:

1,000 to 16,000 gallons per quarter:	\$1.75 per 1,000 gallons
17,000 to 22,000 gallons per quarter:	\$3.40 per 1,000 gallons
23,000 to 50,000 gallons per quarter:	\$5.05 per 1,000 gallons
excess over 50,000 gallons per quarter:	\$6.15 per 1,000 gallons

(b) A residential user which is serviced by an individual water meter to each dwelling unit shall be billed for one base charge per unit, plus a consumption charge per unit computed on the amount of water usage as determined by the actual inside water meter reading.

(c) A residential user which is not serviced by an individual meter to each dwelling unit but which is serviced by a meter to each building shall be billed one base charge for each dwelling unit within the building serviced by the water meter, as well as a consumption charge. The appropriate consumption charge billing classifications shall be determined by multiplying the number of dwelling units in the building by 16,000 gallons per quarter.

(d) The base charge shall be billed in advance and the consumption charge shall be billed in arrears.

(e) This portion of the service charge applies to the residential dwelling units only. In the event that non-residential users are located within the building, the latter shall be individually metered and each shall be subject to the charges imposed for non-residential users.



2. Non-Residential Users

(a) Rates:

BASE CHARGE:

For users connected to and operational with the Authority's AMR System:  
\$64.00 per year (\$16.00 per quarter) per unit

BASE CHARGE:

For users not connected to and operational with the Authority's AMR System:  
\$88.00 per year (\$22.00 per quarter) per unit

CONSUMPTION CHARGE:

1,000 to 16,000 gallons per quarter:	\$1.85 per 1,000 gallons
17,000 to 22,000 gallons per quarter:	\$3.50 per 1,000 gallons
excess over 23,000 gallons per quarter:	\$5.95 per 1,000 gallons

(b) A non-residential user which is serviced by an individual water meter to each unit shall be billed for one base charge per unit plus a consumption charge per unit computed on the amount of water usage as determined by the actual inside water meter reading.

(c) A non-residential user, including a hotel or motel, which is not serviced by an individual meter to each unit but which is serviced by a meter to each building, shall be billed one base charge for the building, as well as a consumption charge.

(d) The base charge shall be billed in advance and the consumption charge shall be billed in arrears.

3. Irrigation Service Charges (All Customers)

(a) Rates:

BASE CHARGE:

For users connected to and operational with the Authority's AMR System:  
\$64.00 per year (\$16.00 per quarter) per unit

BASE CHARGE:

For users not connected to and operational with the Authority's AMR System:  
\$88.00 per year (\$22.00 per quarter) per unit

CONSUMPTION CHARGE:

All usage: \$7.60 per 1,000 gallons

(b) The base charge shall be billed in advance and the consumption charge shall be billed in arrears.

## **SCHEDULE 3W**

### **FIRE SERVICE CHARGES**

<u>Fire Hydrants</u>	<u>Rate Per Year</u>
For each fire hydrant not connected to a metered service line:	\$204.00
<u>Fire Service Lines</u>	
For 2-inch Fire Service Lines:	\$248.00
For 3-inch Fire Service Lines:	\$370.00
For 4-inch Fire Service Lines:	\$545.00
For 6-inch Fire Service Lines:	\$1,088.00
For 8-inch Fire Service Lines:	\$2,064.00
For 10-inch Fire Service Lines:	\$3,400.00
For 12-inch Fire Service Lines:	\$4,745.00

Notwithstanding the above, no standby fee shall be charged to any residential customer served by a fire service line of two inches or less in diameter, provided that such service is metered. The customer shall be billed for any usage through the fire service in accordance with the Consumption Charge for residential users a contained in Schedule 2W.

**SCHEDULE 4W**  
**CONSTRUCTION WATER SERVICE CHARGES**

**BASE CHARGE:** \$91.00 per quarter

**CONSUMPTION CHARGE:** \$7.60 per 1,000 gallons

A deposit in accordance with the following schedule shall be paid in advance and retained until service is terminated:

<u>Meter Size</u>	<u>Deposit</u>
5/8" x 3/4"	\$500.00
1"	\$600.00
1 ½"	\$1,200.00
2"	\$2,400.00

The base charge shall be billed in advance and the consumption charge shall be billed in arrears.



## **SCHEDULE 5W**

### **APPLICATION, REVIEW AND INSPECTION FEES**

W-1	Application Fee:	\$50.00 (non-refundable)
W-1	Conceptual Review Fee:	\$20.00 per EDU (escrowed)
W-3	Additional Escrow Fee:	(escrowed)
(1)	Filing Fee:	\$20.00
(2)	6" Water Lines:	\$0.08 per foot
(3)	Lines in excess of 6":	\$0.12 per foot
(4)	Supply, treatment, storage and/or pumping facilities:	2% of Authority Engineer's estimated cost of construction
(5)	Inspection Fees:	6% of Authority Engineer's estimated cost of improvements including mains, valves, tees, hydrants, supply, treatment, storage and/or pumping facilities and miscellaneous water appurtenances

The amount which the Authority reimburses itself for the expenses of professional reviews and other services shall be the amount charged to the Authority for said reviews or services which shall be based on the hourly rate or other agreed rate then in effect with the person providing said service. In the event that the escrow account is depleted, the applicant shall post additional funds with the Authority in an amount to be set by the Authority.

**RATE SCHEDULE**  
**SANITARY SEWER**

**SCHEDULE 1S**  
**SEWER CONNECTION FEES**

**CLASS 1. RESIDENTIAL**

Single-family, condominiums, townhouses,  
apartments, multifamily, duplex, age restricted,  
trailers, mobile homes (per unit) \$6,438.00

**CLASS 2. NON-RESIDENTIAL: HOTEL OR MOTEL**

(Per guest room) \$3,219.00

This portion of the connection fee applies only to the number of units available for transient occupancy. The connection fee for the non-occupancy portion of the building shall be based upon estimated usage from the remainder of the building, including kitchens, restaurants, taverns, laundries, offices, convention or meeting rooms, sport or athletic facilities, common areas and restrooms, at the Class 3 per gallon per day rate.

**CLASS 3. NON-RESIDENTIAL: GENERAL**

Per Gallon Per Day \$ 31.13  
Minimum Connection Fee (per unit) \$6,438.00

A minimum sewer connection charge for non-residential users shall be imposed, in an amount equal to the residential connection fee regardless of whether the estimated usage is less than the residential rate of usage.

**CLASS 4. CONNECTION FEES FOR CERTAIN AFFORDABLE HOUSING PROJECTS**

Connection fees to public housing authorities and non-profit organizations building affordable housing projects that consist of new connections to the system are to be computed by providing a 50% reduction in the connection fee established in this Rate Schedule.

Connection fees to public housing authorities and non-profit organizations building affordable housing projects that consist of replacement units for demolished or refurbished units, and for which a connection fee was previously paid, are to be computed by charging the lesser of a.) the reduced rate of 50% of the connection fee established in this Rate Schedule, or b.) the connection fee established in this Rate Schedule, minus a credit in the amount of a connection fee previously paid for the housing units being replaced, provided the public housing authority and non-profit organization can establish the connection fee previously paid. If the amount of the previous connection fee cannot be established, the reduced rate of 50% of the connection fee established in this Rate Schedule shall apply.

## CLASS 5: CONNECTION FEES FOR PROJECTS IN CERTAIN REDEVELOPMENT AND REHABILITATION ZONES

Connection fees for projects located in areas of Evesham Township that have been designated as an Area in Need of Redevelopment or Rehabilitation pursuant to the New Jersey Local Redevelopment and Housing Law, N.J.A.C. 40A:12A-1 et seq by the Evesham Township Council are to be computed by providing a 50% reduction in connection fees established in this Rate Schedule.

Connection fees for projects that are located in a designated Redevelopment or Rehabilitation Area that consist of replacement units for demolished or refurbished housing units, and for which a connection fee was previously paid, are to be computed by charging the lesser of A.) the reduced rate of 50% of the connection fee established in this Rate Schedule, or B.) the connection fee established in this Rate Schedule, minus a credit in the amount of a connection fee previously paid for the housing units being replaced, provided the project's developer can establish the connection fee previously paid. If the amount of the previous connection fee cannot be established, the reduced rate of 50% of the connection fee established in this Rate Schedule shall apply.

Connection fees for projects that are located in a designated Redevelopment or Rehabilitation Area shall require a minimum payment of 50% due upon approval with the remaining balance of the connection fees due within one year of approval.

### GENERAL REQUIREMENTS APPLICABLE TO SEWER CONNECTION FEES

A. An applicant shall pay a sewer connection fee for each equivalent dwelling unit at the time that a sewer permit is requested, in an amount as established by the Authority's Rate Schedule in effect at the time that service is requested. All sewer connection fees shall be paid in full prior to the issuance of a construction permit for the premises.

B. Connection fees for non-residential users shall be based upon the Authority's calculation of estimated usage multiplied by the rate per gallon per day contained in the Rate Schedule. A minimum sewer connection charge for non-residential users shall be imposed, in an amount equal to the residential connection fee regardless of whether the estimated usage is less than the residential rate of usage.

C. The projected flow criteria contained in N.J.A.C. 7:14A-23.3 shall be used to determine the estimated sewer usage for non-residential uses, whenever practicable. In the event that a type of use is not listed in N.J.A.C. 7:14A-23.3, the Authority shall use its best judgment in determining estimated sewer usage. The Authority may adopt additions or exceptions to the flow projections contained in N.J.A.C. 7:14A-23.3 by resolution. For the purpose of this Rate Schedule, any reference to "seat" or "person" in N.J.A.C. 7:14A-23.3 or in any projected flow criteria adopted by the Authority shall be deemed to mean the maximum permitted occupancy established pursuant to the Uniform Construction Code and/or the Uniform Fire Code.

D. In the event that an application is made for sewer service to a non-residential building or unit for which the types or sizes of the uses therein have not been determined by the applicant, or are subject to change in the future, a connection fee shall be assessed based upon the maximum potential estimated sewer usage in the building or unit. The Authority, in its discretion, may enter into a deferred connection fee agreement under which an initial connection fee would be imposed only for those uses that are initially contemplated, and which would defer the payment of the balance of the connection fee until such time as a use for which the initial connection fee was paid is changed to a use that will generate additional sewer usage. Any connection fee paid under a deferred connection fee agreement shall be paid at the connection fee rate then prevailing at that time that payment is made.

E. A non-residential user shall be entitled to use the amount of sewer capacity, in gallons per day, that was obtained through the payment of connection fees, as well as such additional capacity actually used by its building or unit without having undergone a physical or operational change for which a building permit, site plan, subdivision, variance or other municipal approval was required. An application for additional capacity shall be made by any existing non-residential user whenever there is an increase in the estimated, projected sewer usage for any existing building or unit resulting from any physical change for which a new connection to the Authority's sanitary sewer system is required. A connection fee shall be charged to the user based upon the increase in estimated sewer usage associated with the aforesaid physical or operational change.

F. In the event that an application is made to reinstate sewer service to a residential structure that was previously abandoned or terminated when the prior structure was demolished or substantially totally destroyed, no additional connection fee shall be due provided that the application for service is made within seven (7) years of the date of the prior termination of service.

G. In the event that an application is made to reinstate sewer service to a non-residential structure that was previously abandoned or terminated when the prior structure was demolished or substantially totally destroyed, no additional connection fee shall be due, provided that: (1) the applicant has continued to pay sewer service charges for the property on a quarterly basis as those charges became due, and (2) there is no change in the estimated sewer usage of the building. In the event that condition (1) herein has been satisfied, but there will be an increase in the estimated sewer usage of the building, then the applicant shall pay a connection fee only on the amount of the increase in the estimated sewer usage.

## SCHEDULE 2S

### SANITARY SEWER SERVICE CHARGES

#### 1. Residential Users

##### (a) Rates:

BASE CHARGE: \$77.00 per quarter per unit

##### USAGE CHARGE:

1,000 to 36,000 gallons of water consumption per quarter:  
\$2.90 per 1,000 gallons

37,000 to 40,000 gallons of water consumption per quarter:  
\$3.00 per 1,000 gallons

TOTAL MAXIMUM CHARGE: \$193.40 per quarter per unit

(b) A residential user which is serviced by an individual water meter to each dwelling unit shall be billed for one base charge per unit, plus a usage charge per unit computed on the amount of water consumption as determined by the actual inside water meter reading. The sanitary sewer service charge, per unit, shall not exceed the Total Maximum Charge indicated above.

(c) A residential user which is not serviced by an individual water meter to each dwelling unit but which is serviced by a meter to each building shall be billed one base charge for each dwelling unit within the building as well as a usage charge computed on the amount of water consumption as determined by the actual inside water meter reading. The sanitary sewer service charge shall not exceed the Total Maximum Charge indicated above, multiplied by the number of units in the building.

(d) A residential user which is serviced by a non-metered water supply shall be billed quarterly for one base charge per unit plus a consumption charge per unit computed on a usage of 36,000 gallons per quarter.

(e) The base charge shall be billed in advance and the usage charge shall be billed in arrears.

(f) This portion of the service charge applies to the residential dwelling units only. In the event that non-residential users are located within the building, the latter shall be individually metered and each shall be subject to the charges imposed for non-residential users.

2. Non-Residential Users (in Evesham Township)

(a) Rates:

BASE CHARGE: \$91.00 per quarter per unit

USAGE CHARGE:

1,000 to 36,000 gallons of water consumption per quarter:

\$3.80 per 1,000 gallons

37,000 gallons and over of water consumption per quarter:

\$6.25 per 1,000 gallons

(b) A non-residential user which is serviced by an individual water meter to each unit shall be billed for one base charge per unit, plus a usage charge per unit computed on the amount of water consumption as determined by the actual inside water meter reading.

(c) A non-residential user, including a hotel or motel, which is not serviced by an individual meter to each unit but which is serviced by a meter to each building, shall be billed one base charge for the building, as well as a usage charge.

(d) The base charge shall be billed in advance and the usage charge shall be billed in arrears.



3. Non-Residential Users (outside Evesham Township)

(a) Rates:

BASE CHARGE: \$135.00 per quarter per unit

USAGE CHARGE:

1,000 to 12,000 gallons of water consumption per quarter:

\$4.80 per 1,000 gallons

13,000 gallons and over of water consumption per quarter:

\$8.50 per 1,000 gallons

(b) A non-residential user which is serviced by an individual water meter to each unit shall be billed for one base charge per unit, plus a usage charge per unit computed on the amount of water consumption as determined by the actual inside water meter reading.

(c) A non-residential user, including a hotel or motel, which is not serviced by an individual meter to each unit but which is serviced by a meter to each building, shall be billed one base charge for the building, as well as a usage charge.

(d) The base charge shall be billed in advance and the usage charge shall be billed in arrears.

## **SCHEDULE 3S**

### **GARBAGE DISPOSAL SERVICE CHARGES**

1. **Residential Users**

\$26.00 per quarter per unit, to be billed in advance.

2. **Non-Residential Users**

The charge for such units will be determined as a surcharge to the normal metered usage charge upon recommendation by the Authority Engineer. The Engineer shall compute the surcharge on the basis of the sewage load imposed on the system in comparison to a domestic garbage disposal unit operating in a single family residential unit. The minimum surcharge shall be \$2.00 per thousand gallons per quarter. This charge shall be billed at the same time and for the same period as the customer is billed for sanitary sewer service charges.

## **SCHEDULE 4S**

### **APPLICATION, REVIEW AND INSPECTION FEES**

S-1	Application Fee:	\$50.00 (non-refundable)
S-1	Conceptual Review Fee:	\$20.00 per EDU (escrowed)
S-3	Additional Escrow Fee:	(escrowed)
(1)	Filing Fee:	\$20.00
(2)	8" Sewer Lines:	\$0.08 per foot
(3)	Lines in excess of 8":	\$0.12 per foot
(4)	Pumping Stations and/or Treatment Works:	2% of Authority Engineer's estimated cost of construction
(5)	Inspection fees:	6% of Authority Engineer's estimated cost of improvements including mains, laterals, manholes, pumping stations and/or treatment works, and miscellaneous sewerage appurtenances.

The amount which the Authority reimburses itself for the expenses of professional reviews and other services shall be the amount charged to the Authority for said reviews or services which shall be based on the hourly rate or other agreed rate then in effect with the person providing said service. In the event that the escrow account is depleted, the applicant shall post additional funds with the Authority in an amount to be set by the Authority.

## SCHEDULE 1M

### MISCELLANEOUS CHARGES, WATER AND/OR SEWER

1. Water Turn-On Fee:
  - (a) Monday to Friday, 8:30 a.m. to 4:30 p.m.: \$ 25.00
  - (b) After 4:30 p.m. and on weekends: \$ 50.00
  - (c) Holidays: \$ 65.00
2. Water Turn-Off Fee: \$ 25.00
3. Reprocessing Charge: \$ 25.00  
(For redepositing a customer check which has not been honored for payment)
4. Meter Testing Charge:
  - (a) 5/8" meter \$ 25.00
  - (b) 3/4" meter \$ 30.00
  - (c) 1" meter \$ 35.00
  - (d) 1 1/2" and 2" meter \$ 65.00
  - (e) 3" or larger  
(positive displacement, compound and/or turbine) \$260.00
5. Plant Labor, Material and Equipment:
  - (a) Plant labor shall be charged at the hourly rate in effect at the time that labor is performed, plus 40% for fringe benefits and overhead.
  - (b) Materials, including water meters supplied, shall be charged at the cost of said materials to the Authority, plus 25% for overhead and handling.
  - (c) Equipment owned and provided by the Authority shall be charged at the latest rental rates published by the Associated Equipment Distributors, Chicago, Illinois.
6. Charge for Second Call on Meter Installation, Repair or Special Read: \$ 25.00

## **SCHEDULE 1D**

### **DISCOUNTS FOR CERTAIN SENIOR CITIZENS AND PERMANENTLY AND TOTALLY DISABLED PERSONS**

The Authority will provide a discount to certain senior citizens and certain permanently and totally disabled persons, in accordance with the provisions of N.J.S.A. 40:14B-22.2.

Any person who is billed for water or sewer services to a property which he or she owns and occupies and who has been approved by the Township of Evesham to receive a deduction against the tax assessed against the property under the provisions of N.J.S.A. 54:4-8.40, shall be entitled to: i.) a discount of fifteen (15%) percent of the charges rendered for domestic potable water or sanitary sewer services to the property; and ii.) an abatement of the charges for garbage disposal services. This discount shall not apply to connection fees, non-residential uses, fire service charges, construction water charges, interest, late charges, application review and inspection fees and miscellaneous charges imposed by the Authority.

Only one discount shall be permitted per property, regardless of the number of approved owners. Proportionate discounts, when appropriate, shall be made in accordance with the provisions of N.J.S.A. 54:4-8.46.

Written application for the discount shall be made to the Authority on forms provided by the Authority. The discount shall become effective with the first bill issued for service charges after approval of the application. The discount shall remain in effect until any change of ownership occurs or the person no longer qualifies under the Statute for the deduction against the tax assessed, whichever occurs earlier.

**ANNUAL REPORT OF  
EVESHAM MUNICIPAL UTILITIES AUTHORITY  
COUNTY OF BURLINGTON  
STATE OF NEW JERSEY  
For the Fiscal Year Ended June 30, 2014**

(as required by Securities and Exchange Commission)  
Under Rule 15c 2-12(b)(5)



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## **THE SYSTEM (1)**

### **Service Area**

The Authority's existing water and sewer facilities currently serve the northern and central portions of the Township where a majority of the Township's population resides. The Authority also provides limited water service in the southern portion of the Township. There are approximately six hundred (600) homes throughout the Township not served by the Authority for either water or sewer. These homes are located primarily in the southern portion of the Township and have on-site wells and septic systems. The Authority services approximately 18,539 equivalent dwelling units ("EDU's") which represent ninety seven percent (97%) of the Township's estimated population of 47,596. Included among these customers are approximately 343 homes in the southern portion of the Township that receive water service only.

### **Existing Sewerage Facilities**

The existing sanitary sewerage facilities of the Authority consist of three (3) tertiary sewage treatment plants at three (3) separate locations, approximately five (5) miles of force main, one hundred seventy-four (174) miles of gravity main, and twenty-four (24) pumping stations. The Authority and the Consulting Engineer believe the sewage collection and treatment systems on the whole are in good condition.

The Woodstream Wastewater Treatment Plant is located in the northwestern portion of the Township, and has a design and permitted capacity of 1,500,000 gallons per day (gpd). The Elmwood Wastewater Treatment Plant is in the northeastern portion of the Township and has a design capacity of 3,000,000 gpd and a permitted capacity of 2,978,000 gpd. The Kings Grant Wastewater Treatment Plant serves customers within the Kings Grant development in the central portion of the Township and has a design and permitted capacity of 600,000 gpd. The total wastewater treatment plant capacity of the Authority is approximately 5,300,000 gpd. The Authority continues to make improvements to its sewer system. In 2009, the Authority completed its upgrade of the Kings Grant Wastewater Treatment Plant. In 2010, the Authority completed the Kings Grant Infiltration Basin and effluent force main project. The Kings Grant Infiltration Basins receive effluent discharge from the upgraded Kings Grant Wastewater Treatment Plant.

Current projects include the upgrade of the Supervisory Control and Data Acquisition (SCADA) system at the Elmwood and Woodstream Wastewater Treatment Plants, which enables Authority personnel to monitor the system status and respond to emergencies from both centralized and remote locations and the Elmwood/Woodstream Treatment Plant Upgrades in respect to Energy Conservation. The Authority obtained financing from the New Jersey Environmental Infrastructure Trust program in 2014 to finance these projects in the amounts of \$1,605,858 for the SCADA project and \$2,733,199 for the Energy Conservation upgrades at Elmwood/Woodstream Wastewater Treatment Plants. Estimated completion dates for these projects are January 2015 and March 2015 respectively.

At present, the cumulative average daily flow through the Authority's three (3) treatment plants is approximately 3,540,000 gpd. An additional 40,000 gpd is expected from developments, which have received connection permits from the New Jersey Department Environmental Protection (the "DEP").

The existing water facilities of the Authority presently service the northern and central portions of the Township and consist of eleven (11) wells, four (4) storage tanks, two (2) booster stations and approximately one hundred seventy-nine (179) miles of four inch (4") to sixteen inch (16") main.

A 500,000 gallon elevated storage tank is located at the intersection of Route 70 and Plymouth Drive. A one million (1,000,000) gallon in-ground water storage tank and booster station is located adjacent to Well No. 4 and provides reserve capacity in times of heavy water consumption. A 2,000,000 gallon elevated storage tank on Lincoln Drive serves the northwestern portion of the Township. A 1,500,000 gallon elevated tank is located in Kings Grant to serve customers within that development. The Plymouth Drive, Lincoln Drive and Kings Grant elevated storage tanks are used to control the entire water system in the Township.

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(1) Source: The Authority

## Existing Water Facilities (Cont'd)

Currently, the Authority's water service area covers mainly the northern and central portions of the Township, since that is where the majority of the Township population is concentrated. The existing water distribution and storage systems are in good condition and should not require any major repairs in the near future.

The Authority continues to make improvements to its water system. The Authority completed the installation of a Supervisory Control and Data Acquisition (SCADA) system for the water distribution system in 2008. SCADA enables Authority personnel to monitor the system status and respond to emergencies from both centralized and remote locations. A future water project is the ASR # 13/14 Well Treatment Upgrades, which includes installing iron precipitation and filtration equipment in an expanded well building and required ancillary equipment. This project is needed to maintain peak water supply capacity through the use of an existing aquifer storage and supply well pair.

In 2014, the Authority's water demand was 1,289 million gallons ("MG"). The Authority has a water diversionary permit from DEP to pump 959 million gallons per calendar year from the Potomac-Raritan-Magothy Aquifer (the "PRM Aquifer"). During 2014, the Authority pumped 704 MG from the PRM Aquifer. The Authority also purchased 107 MG from the Mount Laurel Municipal Utilities Authority pursuant to an agreement entered into in 1989 (the "Mount Laurel Agreement"). The term of the Mount Laurel Agreement runs an initial five (5) years with automatic five (5) year renewals. The Mount Laurel Agreement requires that notification of termination by either party be in writing and at least two (2) years prior to the expiration of the then current five-year period. The Aquifer Recovery Storage project (the "ASR Project") provides the Authority with another 100 MG of capacity. The remaining water demand of 378 MG was met by the purchase of water from the New Jersey American Water Company pursuant to a "Commodity Demand Regional Water Sales Agreement" entered into as of June 1, 2000 and amended in 2010 under which the Authority is obligated to purchase 1.036 MG of water per day. The commodity Demand Regional Water Sales Agreement is for a term of ten years and automatically renews for two successive ten year terms. The Authority continues to explore alternate sources of water.

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(1) Source: The Authority

**CERTAIN INFORMATION CONCERNING  
THE USERS OF THE SYSTEM (1)**

**Ten Largest Customers**

The ten largest users of the existing System and the revenues received from these users for the period from July 1, 2013 to June 30, 2014 are as follows:

<u>Name</u>	<u>Nature of Business</u>	<u>Revenue</u>
Evesham Twp. Fire District	Hydrant Rental	\$177,276
West Jersey Health Systems	Healthcare	\$112,076
Care One	Healthcare	\$58,844
Whole Foods	Grocery Store	\$50,802
Sagmore Management Co.	Apartments	\$42,863
Sagmore Management Co.	Apartments	\$42,218
West Jersey Health Systems	Healthcare	\$37,594
Redstone American Grill	Restaurant	\$34,763
B’Nai B’Rith Elmwood House	Apartments	\$34,485
Wiley Mission	Healthcare	\$32,350

**Classification of Customers**

As of July 1, 2014 the Authority had approximately 16,362 customers representing 18,539 equivalent dwelling units (“EDU’S”) connected to its collection system in the following categories:

<u>Type</u>	<u>Number of Customers</u>	<u>Number of EDU's</u>
Apartments	942	3,118
Commercial	1,034	1,034
Residential	<u>14,386</u>	<u>14,387</u>
Total	<u>16,362</u>	<u>18,539</u>

**Growth in Customer Base**

The table below shows the growth in the Authority's customer base over the last ten fiscal (10) years.

<u>Fiscal Year</u>	<u>Total EDU's</u>	<u>Annual Increase</u>
2014	18,539	72
2013	18,467	141
2012	18,326	36
2011	18,290	13
2010	18,277	403
2009	17,874	144
2008	17,730	(19)
2007	17,749	19
2006	17,730 (2)	(627)
2005	18,357	(770)

(1) Source: The Authority

(2) The Authority revised its customer base portfolio.

**Rate Schedule**

The current water, sewer and garbage disposal rates are as follows:

**Connection Fee Rates****Sewer Connection Fee**

Residential dwelling unit	\$ 6,438.00
Hotel or motel, per unit	\$ 3,219.00
Non residential user	\$ 31.13 per gallon per day

**Water Connection Fee**

Residential dwelling unit	\$ 2,298.00
Hotel or motel, per unit	\$ 1,149.00
Non residential user	\$ 11.11 per gallon per day

**Irrigation or Lawn Sprinkler Connection Fee**

1 inch or less	\$ 3,504.00
1-1/2 inch	\$ 6,063.00
2 inches	\$ 9,138.00
3 inches	\$ 18,269.00
4 inches	\$ 31,546.00

**Fire Service, Public and Private**

No connection fee. Annual service charges only.

**Service Charge Rates****Sanitary Sewer Service Charge**

Base charge	\$ 25.67 per month per unit
Usage charge, residential user	
1,000 to 36,000 gallons per quarter	\$ 2.90 per 1,000 gallons of water
37,000 to 40,000 gallons per quarter	\$ 3.00 per 1,000 gallons of water
Base charge, non residential user, Evesham Twp.	\$ 30.33 per month per unit
Usage charge, non residential user, Evesham Twp.	
1,000 to 36,000 gallons per quarter	\$ 3.80 per 1,000 gallon of water
Over 36,000 gallons per quarter	\$ 6.25 per 1,000 gallons of water
Base charge, non residential user, outside Evesham consumption	\$ 45.00 per month per unit
Usage charge, non residential user, outside Evesham	
1,000 to 12,000 gallons per month	\$ 4.80 per 1,000 gallon of water
Over 12,000 gallons per month	\$ 8.50 per 1,000 gallons of water

**Garbage Disposal Units**

Residential dwelling unit	\$ 8.67 per month
Other than residential units	Minimum surcharge of \$2.00 per thousand gallons per quarter

**Potable Water Service Charges**

Residential:	
Base Charge	\$ 3.33 per month per unit for users connected to AMR system
	\$ 5.33 per month per unit for users not connected to AMR system

## Rate Schedule (Cont'd)

### Potable Water Service Charges (Cont'd)

#### Consumption Charge:

1,000 to 16,000 gallons per quarter	\$ 1.75 per 1,000 gallons
17,000 to 22,000 gallons per quarter	\$ 3.40 per 1,000 gallons
23,000 to 50,000 gallons per quarter	\$ 5.05 per 1,000 gallons
Excess over 50,000 gallons per quarter	\$ 6.15 per 1,000 gallons
Multiple unit buildings to be billed at base charge per unit plus excess water for building.	

#### Non-Residential:

Base Charge	\$ 5.33 per month per unit for users connected to AMR system
	\$ 7.33 per month per unit for users not connected to AMR system

#### Consumption Charge:

1,000 to 16,000 gallons per quarter	\$ 1.85 per 1,000 gallons
17,000 to 22,000 gallons per month	\$ 3.50 per 1,000 gallons
Excess over 23,000 gallons per month	\$ 5.95 per 1,000 gallons

#### Irrigation Service:

Base Charge	\$ 5.33 per month per unit for users connected to AMR system
	\$ 7.33 per month per unit for users not connected to AMR system

#### Consumption Charge:

All usage	\$ 7.60 per 1,000 gallons
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### Fire Service Charges

Fire hydrant (unmetered)	\$ 204.00 per annum
For two inch (2") fire service lines	\$ 248.00 per annum
For three inch (3") fire service lines	\$ 370.00 per annum
For four inch (4") fire service lines	\$ 545.00 per annum
For six inch (6") fire service lines	\$1,088.00 per annum
For eight inch (8") fire service lines	\$2,064.00 per annum
For ten inch (10") fire service lines	\$3,400.00 per annum
For twelve inch (12") fire service lines	\$4,745.00 per annum

### Construction Water Service Charges

\$91.00 base charge per quarter  
plus \$7.60 per 1,000 gallons usage

The estimated average annual service charge per equivalent dwelling unit ("EDU") under the current rates is \$40.00 for water, \$308.00 for sewer and \$104.00 for garbage disposal, or an average yearly total of \$452.00. The average annual rate calculation reflects historical data which shows that seventy-six percent (76%) of the Authority's customers have garbage disposal units.

**ANNUAL AUDITED FINANCIAL STATEMENTS**

## **INDEPENDENT AUDITOR'S REPORT**

The Chairman and Members of  
The Evesham Municipal Utilities Authority  
Evesham Township, New Jersey 08053

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the business-type activities of the Evesham Municipal Utilities Authority, in the County of Burlington, State of New Jersey, a component unit of the Township of Evesham, as of and for the fiscal years ending June 30, 2014 and 2013 and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and in compliance with audit requirements as prescribed by the Bureau of Authority Regulation, Division of Local Government Services, Department of Community Affairs, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



## Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities of the Evesham Municipal Utilities Authority, in the County of Burlington, State of New Jersey as of June 30, 2014 and 2013, and the changes in its financial position and its cash flows thereof for the fiscal years then ended, in accordance with accounting principles generally accepted in the United States of America.

## Other Matters

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements. The Authority's Report of Audit for the fiscal year ended June 30, 2014, includes certain supplementary information, including the required budgetary comparisons and management's discussion and analysis, that is not included with this presentation of the basic financial statements.

Respectfully submitted,

/s/BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants

Voorhees, New Jersey  
October 30, 2014

## EVESHAM MUNICIPAL UTILITIES AUTHORITY

## Comparative Statements of Net Position

As of June 30, 2014 and 2013

	<u>2014</u>	<u>2013</u>
<b>ASSETS</b>		
Current Unrestricted Assets:		
Revenue/Operating Account:		
Cash and Cash Equivalents	\$ 770,352.11	\$ 1,216,488.91
Investments	2,879,190.71	2,181,623.77
Accrued Interest Receivable	8,568.68	6,355.60
General Account:		
Cash and Cash Equivalents	7,264,949.40	6,508,826.23
Investments	1,577,828.65	1,907,169.06
Accrued Interest Receivable	3,642.40	4,505.11
Due from New Jersey Environmental Infrastructure Trust	4,272,073.00	7,509.40
Consumer Accounts Receivable	1,445,684.89	1,158,848.07
Other Accounts Receivable	19,404.16	51,110.51
Prepaid Expenses	910,113.03	997,982.67
Total Unrestricted Assets	<u>19,151,807.03</u>	<u>14,040,419.33</u>
Current Restricted Assets:		
Debt Service Account:		
Cash and Cash Equivalents	4,288,073.34	4,110,695.23
Accrued Interest Receivable	8,481.34	8,446.19
Debt Service Reserve Account:		
Cash and Cash Equivalents	27,654.57	176,921.54
Investments	4,627,909.58	4,243,392.39
Accrued Interest Receivable	14,228.10	12,934.86
Renewal and Replacement Account:		
Cash and Cash Equivalents	1,000,000.00	1,000,000.00
Investments	544,388.00	557,550.50
Accrued Interest Receivable	2,083.33	2,083.33
Construction Account:		
Cash and Cash Equivalents	2.98	635,956.69
Other Accounts:		
Cash and Cash Equivalents	959,020.83	1,186,095.30
Total Restricted Assets	<u>11,471,842.07</u>	<u>11,934,076.03</u>
Non-Current Assets		
Capital Assets:		
Construction in Progress	2,937,984.04	3,090,112.62
Completed (Net of Accumulated Depreciation)	46,553,149.16	48,778,701.52
Total Capital Assets	<u>49,491,133.20</u>	<u>51,868,814.14</u>
Total Assets	<u>80,114,782.30</u>	<u>77,843,309.50</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred Loss on Refunding of Bonds	<u>235,374.10</u>	<u>376,623.28</u>

(Continued)

## EVESHAM MUNICIPAL UTILITIES AUTHORITY

## Comparative Statements of Net Position

As of June 30, 2014 and 2013

	<u>2014</u>	<u>2013</u>
<b>LIABILITIES</b>		
Current Liabilities Payable from Unrestricted Assets:		
Accounts Payable--Operations	\$ 986,016.68	\$ 528,994.00
Prepaid Rental Charges	44,946.67	48,905.44
Prepaid Antennae Rental Charges	23,159.85	
	<hr/>	<hr/>
Total Current Liabilities Payable from Unrestricted Assets	1,054,123.20	577,899.44
	<hr/>	<hr/>
Current Liabilities Payable from Restricted Assets:		
Revenue Bonds Payable--Current Portion	3,090,000.00	2,870,000.00
New Jersey Environmental Infrastructure Loan Payable - Current Portion	846,542.47	672,387.05
Accrued Bond Interest Payable	515,301.88	555,926.88
Litigation Payable		275,000.00
Escrow Deposits	32,219.22	69,558.51
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Total Current Liabilities Payable from Restricted Assets	4,484,063.57	4,442,872.44
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Long-term Liabilities:		
Revenue Bonds Payable	19,041,997.34	22,295,909.71
New Jersey Environmental Infrastructure Loan Payable	13,952,625.92	10,527,095.39
OPEB Obligation	60,641.00	
Compensated Absences	430,767.14	416,882.03
	<hr/>	<hr/>
Total Long-term Liabilities	33,486,031.40	33,239,887.13
	<hr/>	<hr/>
Total Liabilities	39,024,218.17	38,260,659.01
	<hr/>	<hr/>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred Revenue	579,899.50	773,783.10
	<hr/>	<hr/>
<b>NET POSITION</b>		
Restricted for:		
Bond Covenants:		
Debt Service Reserve Requirement	4,578,280.38	4,339,321.17
System Reserve Requirement	1,500,000.00	1,500,000.00
Operating Requirement	2,881,675.00	2,798,243.00
Net Investment in Capital Assets	17,067,414.57	15,887,554.67
Unrestricted	14,718,668.78	14,660,371.83
	<hr/>	<hr/>
Total Net Position	\$ 40,746,038.73	\$ 39,185,490.67
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The accompanying Notes to Financial Statements are an integral part of this statement.

**EVESHAM MUNICIPAL UTILITIES AUTHORITY**  
 Comparative Statements of Revenues, Expenses and Changes in Net Position  
 For the Fiscal Years Ended June 30, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Operating Revenues:		
Service Charges	\$ 15,404,387.40	\$ 15,350,536.73
Connection Fees	923,508.02	851,500.04
Miscellaneous Charges	1,033,817.06	1,121,249.93
Total Operating Revenues	<u>17,361,712.48</u>	<u>17,323,286.70</u>
Operating Expenses:		
Administrative Expenses:		
Salaries and Wages	323,845.96	307,083.71
Fringe Benefits	132,786.78	92,315.48
Other	542,617.97	530,948.47
	<u>999,250.71</u>	<u>930,347.66</u>
Cost of Service:		
Salaries and Wages	2,714,243.58	2,530,513.68
Fringe Benefits	1,414,710.40	1,142,214.37
Other	4,605,189.75	4,386,292.41
	<u>8,734,143.73</u>	<u>8,059,020.46</u>
Major Repairs and Other Expenses	617,939.41	675,307.67
Additional/Canceled Accounts Payable	158,763.15	44,594.92
Depreciation	3,149,667.61	3,321,829.83
Total Operating Expenses	<u>13,659,764.61</u>	<u>13,031,100.54</u>
Operating Income	<u>3,701,947.87</u>	<u>4,292,186.16</u>
Non-operating Revenue (Expenses):		
Interest Revenue:		
Investment Income	327,846.76	305,622.07
Change in Fair Value of Investments	42,896.43	(461,131.59)
	370,743.19	(155,509.52)
Bond Interest	(997,003.07)	(1,229,434.73)
Municipal Appropriation	(721,381.00)	(712,158.00)
Loss on Disposal of Property, Plant & Equipment	(2,326,205.93)	(952.07)
Cancellation of Accrued Interest Payable		507,977.37
Litigation Settlement		(275,000.00)
Total Non-Operating Revenues (Expenses)	<u>(3,673,846.81)</u>	<u>(1,865,076.95)</u>
Income Before Contributions (Carried Forward)	28,101.06	2,427,109.21

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**EVESHAM MUNICIPAL UTILITIES AUTHORITY**  
 Comparative Statements of Revenues, Expenses and Changes in Net Position  
 For the Fiscal Years Ended June 30, 2014 and 2013

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	<u>2014</u>	<u>2013</u>
Income Before Contributions (Brought Forward)	\$ 28,101.06	\$ 2,427,109.21
Contributions:		
Developers	<u>1,532,447.00</u>	<u>1,841,090.70</u>
Change in Net Position	<u>1,560,548.06</u>	<u>4,268,199.91</u>
Net Position - Beginning	<u>39,185,490.67</u>	<u>34,917,290.76</u>
Net Position - End of Year:		
Restricted	\$ 8,959,955.38	\$ 8,637,564.17
Unrestricted	\$ 14,718,668.78	\$ 14,660,371.83
Net Investment in Capital Assets	<u>\$ 17,067,414.57</u>	<u>\$ 15,887,554.67</u>

The accompanying Notes to Financial Statements are an integral part of this statement

**EVESHAM MUNICIPAL UTILITIES AUTHORITY**  
**Comparative Statements of Cash Flows**  
**For the Fiscal Years Ended June 30, 2014 and 2013**

	<u>2014</u>	<u>2013</u>
Cash Flows from Operating Activities:		
Receipts from Customers	\$ 16,801,127.17	\$ 17,635,241.98
Payments to Suppliers	(8,138,332.53)	(7,730,918.70)
Payments to Employees	(3,038,089.54)	(2,837,597.39)
Other Operating Receipts	1,104,176.53	1,121,759.86
Net Cash Provided by Operating Activities	6,728,881.63	8,188,485.75
Cash Flows from Capital and Related Financing Activities:		
Capital Aquisitions	(1,565,745.60)	(2,189,388.82)
N.J. Environmental Infrastructure Loan Proceeds	7,509.40	100,626.67
Municipal Appropriation	(721,381.00)	(712,158.00)
Debt Service:		
Principal	(3,542,387.05)	(3,639,987.63)
Interest	(1,060,291.26)	(1,001,617.65)
Net Cash Used in Capital and Related Financing Activities	(6,882,295.51)	(7,442,525.43)
Cash Flows from Investing Activities:		
Interest on Investments	368,064.43	290,263.82
Change in Investments:		
Purchases/Unrealized Gains and Losses	(2,841,622.92)	(5,654,208.34)
Sales/Maturities	2,102,041.70	4,473,569.84
Net Cash Flows Provided (Used) by Investing Activities	(371,516.79)	(890,374.68)
Net Increase (Decrease) in Cash and Cash Equivalents	(524,930.67)	(144,414.36)
Cash and Cash Equivalents--July 1	14,834,983.90	14,979,398.26
Cash and Cash Equivalents--June 30	<u>\$ 14,310,053.23</u>	<u>\$ 14,834,983.90</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:		
Operating Income	\$ 3,701,947.87	\$ 4,292,186.16
Adjustments to Reconcile Operating Income to Net Cash Used in Operating Activities:		
Depreciation	3,149,667.61	3,321,829.83
Change in Assets and Liabilities:		
(Increase) Decrease in Consumer Accounts Receivable	(286,836.82)	58,740.37
(Increase) Decrease in Other Accounts Receivable	31,706.35	5,224.69
(Increase) Decrease in Prepaid Expenses	87,869.64	(15,798.64)
Increase (Decrease) in Accounts Payable	457,022.68	82,752.24
Increase (Decrease) in OPEB Obligation	60,641.00	
Increase (Decrease) in Prepaid Rents	(3,958.77)	(14,463.96)
Increase (Decrease) in Litigation Payable	(275,000.00)	
Increase (Decrease) in Prepaid Antenna Rents	23,159.85	
Increase (Decrease) in Escrow Deposits	(37,339.29)	(12,309.40)
Increase (Decrease) in Compensated Absences Payable	13,885.11	(11,803.96)
Increase (Decrease) in Connection Fee Deposits	(193,883.60)	482,128.42
Net Cash Provided (Used) by Operating Activities:	<u>\$ 6,728,881.63</u>	<u>\$ 8,188,485.75</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

**EVESHAM MUNICIPAL UTILITIES AUTHORITY**  
Notes to Financial Statements  
For the Fiscal Years Ended June 30, 2014 and 2013

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**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Evesham Municipal Utilities Authority (the "Authority") have been prepared to conform with accounting principles generally accepted in the United States of America ("GAAP") as applied to governmental units. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant of these policies.

**Description of the Financial Reporting Entity**

The Evesham Municipal Utilities Authority (the "Authority") is a public body corporate and politic of the State of New Jersey. The Authority was granted its franchise area consisting entirely of the Township of Evesham when it was first established as the Evesham Sewerage Authority on April 7, 1955. The Authority was reorganized on March 3, 1959 as the Evesham Municipal Utilities Authority, by ordinance of the Township Committee.

The Authority provides water supply and sewerage collection and treatment service to all residences and businesses within the Township of Evesham. The Authority also collects a connection fee for new hook-ups.

The Authority Board consists of five members and two alternates, who are appointed by Township resolution for staggered, five year terms. The daily operations of the Authority are managed by the Executive Director.

**Component Unit**

In evaluating how to define the Authority for financial reporting purposes, management has considered all potential component units. The decision to include any potential component units in the financial reporting entity was made by applying the criteria set forth in GASB Statements No. 14, *The Financial Reporting Entity*, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, and GASB Statement No. 61, *The Financial Reporting Entity: Omnibus - an amendment of GASB Statements No. 14 and No. 34*. Blended component units, although legally separate entities, are in-substance part of the government's operations. Each discretely presented component unit would be or is reported in a separate column in the financial statements to emphasize that it is legally separate from the government.

The basic-but not the only-criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and / or its citizens.

A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities. Finally, the nature and significance of a potential component unit to the primary government could warrant its inclusion within the reporting entity.

Based upon the application of these criteria, the Authority has no component units and is a component unit of the Township of Evesham.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Basis of Presentation**

The financial statements of the Authority have been prepared in accordance with accounting principles generally accepted in the United States of America applicable to enterprise funds of State and Local Governments on a going concern basis. The focus of enterprise funds is the measurement of economic resources, that is, the determination of operating income, changes in net position (or cost recovery), financial position and cash flows. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

The Authority is a single enterprise fund and maintains its records on the accrual basis of accounting. Enterprise funds account for activities (i) that are financed with debt that is secured solely by a pledge of the net revenues from fees and charges of the activity; or (ii) that are required by law or regulations that the activity's cost of providing services, including capital cost (such as depreciation or debt service), be recovered with fees and charges, rather than with taxes or similar revenues; or (iii) that the pricing policies of the activity establish fees and charges designed to recover its costs, including capital costs (such as depreciation or debt service). Under this method, revenues are recorded when earned and expenses are recorded when the related liability is incurred.

The transactions of the Authority are divided into two separate activities (water and sewer) within the enterprise fund type. Each activity is accounted for by providing a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position, revenues and expenditures.

**Basis of Accounting**

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Enterprise funds are accounted for using the accrual basis of accounting.

**Revenues -- Exchange and Non-Exchange Transactions** - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. Water and sewer service charges are recognized as revenue when services are provided. Connection fees are collected in advance and, accordingly, the Authority defers these revenues until the municipality issues a release for certificate of occupancy and determines that water distribution and sewage collection services are being provided to the properties.

Non-exchange transactions, in which the Authority receives value without directly giving equal value in return, include grants, contributed capital, and donations. Revenue from grants, contributed capital, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the fiscal year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the Authority must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Authority on a reimbursement basis.

**Expenses / Expenditures** - On the accrual basis of accounting, expenses are recognized at the time they are incurred.



**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Budgets and Budgetary Accounting**

The Authority must adopt an annual budget in accordance with N.J.A.C. 5:31-2. N.J.A.C. 5:31-2 requires the governing body to introduce the annual Authority budget at least 60 days prior to the end of the current fiscal year and to adopt not later than the beginning of the Authority's fiscal year. The governing body may amend the budget at any point during the year. The budget is adopted on the accrual basis of accounting with provisions for cash payments for bond principal. Depreciation expense, bond issue costs, bond discounts, deferred loss on defeasance and the annual required contribution for the Authority's OPEB Plan are not included in the budget appropriations.

The legal level of budgetary control is established at the detail shown on the Statement of Revenues, Expenses and Changes in Net Position. All budget transfers and amendments to those accounts must be approved by resolution of the Authority as required by the Local Finance Board. Management may transfer among supplementary line items as long as the legal level line items are not affected. There are no statutory requirements that budgetary line items not be over-expended. The Authority adopted an amending budget resolution during the year.

The Authority records encumbrances. An encumbrance represents a commitment related to unperformed contracts for goods or services. The issuance of a purchase order or the signing of a contract would create an encumbrance. The encumbrance does not represent an expenditure for the period, only a commitment to expend resources. At year-end, the accounting records are adjusted to record only expenses in accordance with generally accepted accounting principles.

**Cash, Cash Equivalents and Investments**

Cash and cash equivalents include petty cash, change funds, cash in banks and all highly liquid investments with a maturity of three months or less at the time of purchase and are stated at cost plus accrued interest. Such is the definition of cash and cash equivalents used in the statement of cash flows. U.S. treasury and agency obligations and certificates of deposit with maturities of one year or less when purchased are stated at cost. All other investments are stated at fair value.

New Jersey governmental units are required by N.J.S.A. 40A:5-14 to deposit public funds in a bank or trust company having its place of business in the State of New Jersey and organized under the laws of the United States or of the State of New Jersey or in the New Jersey Cash Management Fund. N.J.S.A. 40A:5-15.1 provides a list of investments which may be purchased by New Jersey municipal units. In addition, other State statutes permit investments in obligations issued by local authorities and other state agencies.

Additionally, the Authority has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act. The Act was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. In lieu of designating a depository, the cash management plan may provide that the local unit make deposits with the State of New Jersey Cash Management Fund.

N.J.S.A. 17:9-41 et seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act ("GUDPA"), a multiple financial institutional collateral pool, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include State or federally chartered banks, savings banks or associations located in or having a branch office in the State of New Jersey, the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of Governmental Units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the amount of their deposits to the Governmental Units.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Inventories**

Inventory consists principally of chemicals for the treatment of water, sewerage and sludge and is valued at cost. The Authority has determined that the inventories are immaterial and are not recorded in the financial statements.

**Prepaid Expenses**

Prepaid expenses recorded on the financial statements represent payments made to vendors for services that will benefit periods beyond June 30, 2014.

**Capital Assets**

Capital assets primarily consist of expenditures to acquire, construct, place in operation and improve the facilities of the Authority. Assets purchased prior to June 30, 1993 are stated at estimated cost. Assets purchased since are stated at actual cost. Assets contributed by developers are valued at estimated fair market value as of the date of contribution.

Expenditures, which enhance the asset or significantly extend the useful life of the asset are considered improvements and are added to the fixed asset's currently capitalized cost. The cost of normal repairs and maintenance are not capitalized. Costs incurred during construction of an asset are recorded as construction in progress. In the year that the project is completed, these costs are transferred to Capital Assets.

Expenditures are capitalized when they meet the following requirements:

- 1) Cost of \$1,000.00 or more
- 2) Useful life of more than one year
- 3) Asset is not affected by consumption

Interest costs incurred during construction are not capitalized into the cost of the asset.

**Depreciation**

Depreciation is provided using the straight-line method over the following estimated useful life of the assets:

	<u>Years</u>
Buildings	40
Major Moveable Equipment	5-15
Vehicles	7
Infrastructure	40

Depreciation is taken starting the month after the asset is placed in service.

**Bond Discounts/Premiums**

Bond discounts / premiums arising from the issuance of long-term debt (bonds) are amortized over the life of the bonds, in a systematic and rational method, as a component of interest expense. Bond discounts / premiums are presented as an adjustment of the face amount on the bonds.

**Deferred Loss on Refunding**

Deferred loss on refunding arising, from the issuance of the revenue refunding bonds, is recorded as a deferred outflow of resources. It is amortized in a systematic and rational manner over the duration of the related debt as a component of interest expense.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Deferred Revenue**

Deferred revenue arises when resources associated with revenue transactions are received or reported as a receivable before the period when resources are required to be used or when use is first permitted in which enabling legislation includes time requirements.

**Compensated Absences**

Compensated absences are those absences for which employees will be paid, such as vacation, sick leave, and sabbatical leave. A liability for compensated absences that are attributable to services already rendered, and that are not contingent on a specific event that is outside the control of the Authority and its employees, is accrued as the employees earn the rights to the benefits. Compensated absences that relate to future services, or that are contingent on a specific event that is outside the control of the Authority and its employees, are accounted for in the period in which such services are rendered or in which such events take place.

**Unearned Revenue**

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied and are recorded as a liability until the revenue is both measurable and the Authority is eligible to realize the revenue.

**Net Position**

In accordance with the provisions of GASB Statement No. 34 ("Statement 34") of the Governmental Accounting Standards Board "Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments", the Authority has classified its net position into three components – net investment in capital assets; restricted; and unrestricted. These classifications are defined as follows:

**Net Investment in Capital Assets** - This component of net position consists of capital assets, net of accumulated depreciation, reduced, by the outstanding balances of any bonds, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt also should be included in this component of net position. If there are significant unspent related debt proceeds or deferred inflows of resources at year-end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of net investment in capital assets. Instead, that portion of the debt or deferred inflows of resources should be included in the same net position component as the unspent amount.

**Restricted** – Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Authority or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

**Unrestricted** - This component of net position consists of net position that do not meet the definition of "restricted" or "net investment in capital assets." This component includes net position that may be allocated for specific purposes by the Board.

**Income Taxes**

The Authority operates as defined by the Internal Revenue Code Section 115 and appropriately is exempt from income taxes under Section 115.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Operating and Non-Operating Revenues and Expenses**

Operating revenues include all revenues derived from facility charges (i.e., water and sewerage usage revenues) and other revenue sources. Non-operating revenues principally consist of interest income earned on various interest-bearing accounts and on investments in debt securities.

Operating expenses include expenses associated with the operation, maintenance and repair of the water and sewer operations and general administrative expenses. Non-operating expenses principally include expenses attributable to the Authority's interest on funded debt, contribution to Township and major non-recurring repairs.

**Accounting Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

**Recently Issued and Adopted Accounting Pronouncements**

During the fiscal year ended June 30, 2014, the Authority adopted the following new accounting standards issued by the Governmental Accounting Standards Board (GASB)

In March 2012, the GASB issued Statement 66, *Technical Corrections - 2012 - an amendment of GASB Statements No. 10 and No. 62*. GASBS 66 is to improve accounting and financial reporting by state and local governmental entities by resolving conflicting guidance that resulted from the issuance of two pronouncements, Statements No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, and No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. Since the release of these Statements, questions have arisen concerning differences between the provisions in Statement 54 and Statement No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*, regarding the reporting of risk financing activities. Questions also have arisen about differences between Statement 62 and Statements No. 13, *Accounting for Operating Leases with Scheduled Rent Increases*, regarding the reporting of certain operating lease transactions, and No. 48, *Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues*, concerning the reporting of the acquisition of a loan or a group of loans and the recognition of servicing fees related to mortgage loans that are sold. This Statement is effective for periods beginning after December 15, 2012. The adoption of GASBS 66, however, does not have a material impact on the Authority's financial statements.

In April 2013, the GASB issued Statement 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*. GASBS 70 is to improve accounting and financial reporting by state and local governments that extend and receive nonexchange financial guarantees. This Statement requires a government that extends a nonexchange financial guarantee to recognize a liability when qualitative factors and historical data, if any, indicate that it is more likely than not that the government will be required to make a payment on the guarantee. The amount of the liability to be recognized should be the discounted present value of the best estimate of the future outflows expected to be incurred as a result of the guarantee. When there is no best estimate but a range of the estimated future outflows can be established, the amount of the liability to be recognized should be the discounted present value of the minimum amount within the range. This Statement requires a government that has issued an obligation guaranteed in a nonexchange transaction to report the obligation until legally released as an obligor. This Statement also requires a government that is required to repay a guarantor for making a payment on a guaranteed obligation or legally assuming the guaranteed obligation to continue to recognize a liability until legally released as an obligor. When a government is released as an obligor, the government should recognize revenue as a result of being relieved of the obligation. This Statement also provides additional guidance for intra-entity nonexchange financial guarantees involving blended component units. This Statement is effective for periods beginning after June 15, 2013. The adoption of GASBS 70, however, does not have any impact on the Authority's financial statements.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Recently Issued Accounting Pronouncements**

In June 2012, the GASB issued Statement 67, *Financial Reporting for Pension Plans - an amendment of GASB Statement No. 25*. GASBS 67 is to improve the usefulness of pension information included in the general purpose external financial reports (financial reports) of state and local governmental pension plans for making decisions and assessing accountability. This Statement is effective for periods beginning after June 15, 2013. The Authority does not administer any state or local pension plans; therefore, the adoption of GASBS 67 will not have any impact on the Authority's financial statements.

In June 2012, the GASB issued Statement 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*. GASBS 68 is to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. In addition, this Statement replaces the requirements of Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, as well as the requirements of Statement No. 50, *Pension Disclosures*, as they relate to pensions that are provided through pension plans administered as trusts or equivalent arrangements that meet certain criteria. The requirements of Statements 27 and 50 remain applicable for pensions that are not covered by the scope of this Statement. This Statement is effective for periods beginning after June 15, 2014. Management is currently evaluating the impact of the adoption of this Statement on the Authority's financial statements and expects the impact to be material.

In January 2013, the GASB issued Statement 69, *Government Combinations and Disposals of Government Operations*. GASBS 69 establishes accounting and financial reporting standards related to government combinations and disposals of government operations. As used in this Statement, the term government combinations include a variety of transactions referred to as mergers, acquisitions, and transfers of operations. This Statement is effective for periods beginning after December 15, 2013. Management is currently evaluating the impact of the adoption of this Statement on the Authority's financial statements although no impact is expected.

In November 2013, the GASB issued Statement 71, *Pension Transition for Contributions made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68*. GASBS 71 is to address an issue regarding application of the transition provisions of Statement No. 68, *Accounting and Financial Reporting for Pensions*. The issue relates to amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability. The requirements of this Statement will eliminate the source of a potential significant understatement of restated beginning net position and expense in the first year of implementation of Statement 68 in the accrual-basis financial statements of employers and nonemployer contributing entities. This Statement is effective for fiscal years beginning after June 15, 2014. Management is currently evaluating the impact of the adoption of this Statement on the Authority's financial statements and expects the impact to be material when considered in conjunction with the adoption of Statement No. 68.

**Note 2: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY****Compliance with Finance Related Legal and Contractual Provisions**

Management of the Authority is unaware of any material violations of finance related legal and contractual provisions.

**General Bond Resolution**

The Authority is subject to the provisions and restrictions of the General Bond Resolution adopted July 25, 1990 (Amended August 1, 1990). On August 2, 1995, July 10, 1996, November 10, 1999, October 16, 2002, February 4, 2004, August 3, 2011 and March 7, 2012, the authority adopted Supplemental Bond Resolutions, which amended the 1990 Bond Resolution. A summary of the activities of each account created by the 1990 Bond Resolution is covered below.

**Revenue Account** - All money collected by the Authority for service charges or from any other source for operating, maintaining or repairing the system is deposited in this account. The Trustee, on the first day of each month, shall make payments into the other accounts to satisfy bond resolution or operating requirements.

**Bond Service Account** - This account is maintained to pay maturing interest and principal on the 2002 Series A Revenue Bonds, 2003 Series A Revenue Bonds, 2004 Series A Revenue Bonds, the 2011 Series A Revenue Bonds, the 2012 Series A Revenue Bonds and the Authority's New Jersey Environmental Infrastructure Trust Fund Loans. The balance on deposit must be sufficient to enable the Trustee to withdraw amounts equal to interest due on bonds, principal amount maturing on bonds and sinking fund installments when such payments are required. At June 30, 2014, the balance in the account meets the requirements of the bond resolution.

**Bond Reserve Account** - The amount of funds on deposit must be maintained at a level equal to the Maximum Debt Service to insure funds are available for payment of debt service. The balance on June 30, 2014 of \$4,655,564.15 meets the requirements of the Bond Resolution.

**Renewal and Replacement Account** - This account is maintained to pay for the reasonable and necessary expenses for major repairs, renewals, replacements or maintenance items of a type not recurring annually. Funds on deposit must be equal to the System Reserve Requirement, currently established by the Bond Resolution at \$1,500,000.00. At June 30, 2014, the balance in the account meets the requirements of the bond resolution.

**General Account** - All excess funds of the Authority are recorded in the General Account. If the Authority is not in default in the payment of bond principal or interest and all fund requirements are satisfied, the Authority may use the excess funds for any lawful purpose.

**Note 2: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONT'D)****Debt Service Coverage**

The net revenues for the current year were 1.57 times the annual debt service for the current bond year ending June 30, 2014. The Authority's Bond Resolution requires that net revenues equal at least 1.05% of debt service. Net revenues and debt service coverage is calculated as follows:

	<u>2014</u>	<u>2013</u>
Net Revenues:		
Operating Income (Exhibit B)	\$3,701,947.87	\$4,292,186.16
Add: Interest Income Earned	327,846.76	305,622.07
Major Repairs and Replacements	617,939.41	675,307.67
Depreciation	<u>3,149,667.61</u>	<u>3,321,829.83</u>
Net Revenues for Debt Service Coverage	<u>7,797,401.65</u>	<u>\$8,594,945.73</u>
Debt Service:		
Bond Principal	\$3,936,542.47	\$3,542,387.05
Interest Expense:		
Interest Accrued	997,003.07	1,229,434.73
Less: Amortization	<u>(22,663.19)</u>	<u>(17,225.69)</u>
Total Debt Service	<u>\$4,956,208.73</u>	<u>\$4,789,047.47</u>
Net Revenues	<u>\$7,858,042.65</u>	<u>\$8,594,845.83</u>
Debt Service	4,956,208.73 = 1.57	4,789,047.47 = 1.79

**Note 3: DETAIL NOTES - ASSETS****Cash and Cash Equivalents**

**Custodial Credit Risk Related to Deposits** - Custodial credit risk is the risk that, in the event of a bank failure, the Authority's deposits might not be recovered. Although the Authority does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the Authority in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings or funds that may pass to the Authority relative to the happening of a future condition. If the Authority had any such funds, they would be shown as Uninsured and Uncollateralized in the schedule below.

As of June 30, 2014 and 2013, the Authority's bank balances were exposed to custodial credit risk as follows:

	<u>June 30,</u>	
	<u>2014</u>	<u>2013</u>
Insured	\$ 500,000.00	\$ 500,000.00
Uninsured and collateralized with securities held by pledging financial institutions	<u>23,885,256.02</u>	<u>23,742,558.91</u>
	<u>\$ 24,385,256.02</u>	<u>\$ 24,242,558.91</u>

**Note 3: DETAIL NOTES – ASSETS (CONT'D)****Investments**

**Custodial Credit Risk** – For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Authority will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the Authority, and are held by either the counterparty or the counterparty's trust department or agent but not in the Authority's name. All of the Authority's \$9,629,316.94 as of June 30, 2014 and \$8,889,735.72 as of June 30, 2013 investments in treasury obligations, money market funds and state and municipal bonds are held in the name of the Authority.

**Interest Rate Risk** – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Authority does not have a formal policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

**Credit Risk** – Credit risk is the risk that an issuer or counterparty to an investment will not fulfill its obligations. N.J.S.A. 40A:5-15.1 limits the investments that the Authority may purchase such as Treasury securities in order to limit the exposure of governmental units to credit risk. The Authority has no investment policy that would further limit its investment choices.

**Concentration of Credit Risk** – Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The Authority's investment policies place no limit on the amount the Authority may invest in any one issuer. All of the Authority's investments are either in treasury obligations, money market funds, GNMA's or direct Treasury Securities.

As of June 30, 2014 the Authority had the following investments and maturities:

<u>Investment</u>	<u>Rating</u>	<u>Credit Maturities</u>	<u>Fair Value</u>
G.N.M.A. Pool #465565	N/A	10/15/2028	\$ 10,887.78
G.N.M.A. II Pool 13-66	AAA	05/16/2041	381,036.00
G.N.M.A. II Pool 14-41	AAA	03/20/2044	683,158.01
G.N.M.A. II 13-111	AAA	06/20/2043	359,383.39
F.N.M.A. Pool #13-27	AAA	01/25/2043	693,561.77
F.N.M.A. Pool #11-117	AAA	11/25/2041	212,254.00
F.N.M.A. 12-134	AAA	09/25/2041	410,301.66
F.N.M.A. 12-130	AAA	12/25/2042	281,092.21
F.N.M.A. 14-37	N/A	07/25/2044	666,600.00
F.N.M.A. 12-99	AAA	06/25/2042	704,861.73
F.N.M.A.	AAA	10/25/2041	102,845.79
G.N.M.A. GTD Remic 09-46	AAA	02/20/2039	973,257.35
G.N.M.A. GTD Remic 04-34	AAA	05/20/2034	162,197.41
G.N.M.A. GTD Remic 09-34	AAA	04/20/2039	2,176,060.00
Freddie Mac #4150	AAA	01/15/2043	703,469.14
F.N.R. 13-105	AAA	03/25/2043	429,178.66
F.H.L.M.C. Pool #4321	AAA	07/15/2043	393,467.71
F.H.L.M.C. #4176 Ua	AAA	11/15/2042	285,704.33
			<u>\$ 9,629,316.94</u>



**Note 3: DETAIL NOTES – ASSETS (CONT'D)****Investments (Cont'd)**

As of June 30, 2013 the Authority had the following investments and maturities:

<u>Investment</u>	<u>Rating</u>	<u>Credit Maturities</u>	<u>Fair Value</u>
G.N.M.A. Pool #465565	N/A	10/15/2028	\$ 14,174.70
G.N.M.A. II Pool 13-66	AAA	05/16/2041	551,689.05
F.N.M.A. Pool #13-27	AAA	01/25/2043	775,846.32
F.N.M.A. Pool #11-117	AAA	11/25/2041	325,077.79
F.N.M.A. 12-134	AAA	09/25/2041	746,120.92
F.N.M.A. 12-130	AAA	12/25/2042	379,554.11
F.N.M.A.	AAA	10/25/2041	189,555.02
F.N.M.A. 12-99	AAA	06/25/2042	869,162.74
G.N.M.A. GTD Remic 09-46	AAA	02/20/2039	994,791.20
G.N.M.A. GTD Remic 04-34	AAA	05/20/2034	232,471.67
G.N.M.A. GTD Remic 04-16	AAA	05/20/2032	75,864.90
G.N.M.A. GTD Remic 09-34	AAA	04/20/2039	2,134,756.00
Freddie Mac #4150	AAA	01/15/2043	790,387.87
F.H.L.M.C. #4176 Ua	AAA	11/15/2042	810,283.43
			<u>\$ 8,889,735.72</u>

**Service Fees**

The following is a five-year comparison of water and sewer user charges billed to and collections from customers during the fiscal years shown:

<u>Fiscal Year</u>	<u>Beginning Balance</u>	<u>Billings</u>	<u>Total Collections</u>	<u>Percentage of Collections</u>
2014	\$ 1,158,848.07	\$ 15,404,387.40	\$ 15,117,550.58	91.27%
2013	1,217,588.44	15,350,536.73	15,409,277.10	93.01%
2012	931,682.60	15,161,726.46	14,875,820.62	92.43%
2011	1,149,115.03	15,467,080.34	15,684,512.77	94.39%
2010	765,180.31	14,215,825.39	13,831,890.67	92.33%

**Capital Contributions**

The Authority receives capital contributions from developers that consist of sewer and water infrastructure installed at the developer's expense and turned over to the Authority upon completion of construction. During the fiscal year ending June 30, 2014, the Authority received \$536,356.45 for the Water Department and \$996,090.55 for the Sewer Department. During the fiscal year ending June 30, 2013, the Authority received \$644,381.75 for the Water Department and \$1,196,708.96 for the Sewer Department.

**Note 3: DETAIL NOTES – ASSETS (CONT'D)****Capital Assets**

During the fiscal year ended June 30, 2014, the following changes in Capital Assets occurred:

	<u>Balance July 1, 2013</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2014</u>
Land	\$ 5,332,318.00			\$ 5,332,318.00
Buildings & Improvements	55,511,921.70		\$ 178,157.00	55,333,764.70
Infrastructure	98,018,836.03	\$ 3,118,963.78		101,137,799.81
Fixed Equipment	7,865,953.47	106,501.40	2,321,019.41	5,651,435.46
Equipment	1,577,140.17	6,358.00	14,050.88	1,569,447.29
Vehicles	1,869,684.96	18,498.00		1,888,182.96
	170,175,854.33	3,250,321.18	2,513,227.29	170,912,948.22
Depreciation	121,397,152.81	3,149,667.61	187,021.36	124,359,799.06
	<u>\$ 48,778,701.52</u>	<u>\$ 100,653.57</u>	<u>\$ 2,326,205.93</u>	<u>\$ 46,553,149.16</u>

During the fiscal year ended June 30, 2013, the following changes in Capital Assets occurred:

	<u>Balance July 1, 2012</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2013</u>
Land	\$ 5,332,318.00			\$ 5,332,318.00
Buildings & Improvements	55,503,166.29	\$ 8,755.41		55,511,921.70
Infrastructure	94,099,933.65	3,918,902.38		98,018,836.03
Fixed Equipment	7,465,037.62	356,777.75	\$ 775.00	7,821,040.37
Equipment	1,622,053.27			1,622,053.27
Vehicles	1,790,958.82	140,642.00	61,915.86	1,869,684.96
	165,813,467.65	4,425,077.54	62,690.86	170,175,854.33
Depreciation	118,137,061.77	3,321,829.83	61,738.79	121,397,152.81
	<u>\$ 47,676,405.88</u>	<u>\$ 1,103,247.71</u>	<u>\$ 952.07</u>	<u>\$ 48,778,701.52</u>

**Note 4: DETAIL NOTES - LIABILITIES****Compensated Absences**

Authority employees may accumulate unused sick days with no restrictions. Employees are compensated for accumulated sick leave upon retirement or resignation at one-half of their then current hourly rate of pay times the number of days accumulated, up to a maximum of \$15,000. Vacation days not used during the year may be carried forward for one year. Upon separation from the Authority, the employee will be paid for all accrued vacation time at their then current hourly rate. The accrued liability for accumulated sick leave and vacation time at June 30, 2014 and 2013 is estimated at \$430,767.14 and \$416,882.03.

**Retirement Systems**

The Authority contributes to a cost-sharing multiple-employer defined benefit pension plan, the Public Employees' Retirement System (PERS), which is administered by the New Jersey Division of Pensions and Benefits. In addition, Authority employees may participate in the Defined Contribution Retirement Program, which is a defined contribution pension plan. This too is administered by the New Jersey Division of Pensions and Benefits. Each plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to:

State of New Jersey  
Division of Pensions and Benefits  
P.O. Box 295  
Trenton, New Jersey 08625-0295

**Public Employees' Retirement System** - The PERS was established as of January 1, 1955. The PERS provides retirement, death, and disability, and medical benefits to qualified members. Vesting and benefit provisions are established by N.J.S.A. 43:15A and 43:3B.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 62, P.L. 1994, plan members enrolled in the Public Employees' Retirement System were required to contribute 5% of their annual covered salary. Effective July 1, 2008, however, in accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. For employees enrolled in the retirement system prior to July 1, 2008, the increase is effective with the payroll period that begins immediately after July 1, 2008. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased to 6.5% plus an additional 1.0% phased-in over seven years. The phase-in of the additional incremental member contribution amount began July 1, 2012 and increases each subsequent July 1. The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, the statute also requires the return to the normal rate when such surplus pension assets no longer exist.

The Authority is billed annually for its normal contribution plus any accrued liability. These contributions, equal to the required contributions for each year, were as follows:

<u>Year</u>	<u>Normal Contribution</u>	<u>Accrued Liability</u>	<u>Total Liability</u>	<u>Paid by Authority</u>
2014	\$ 51,590.00	\$ 226,825.00	278,415.00	\$ 4,735.00
2013	85,053.00	203,365.00	288,418.00	17,166.00
2012	89,337.00	178,673.00	268,010.00	17,075.00

**Related Party Investments** - The Division of Pensions and Benefits does not invest in securities issued by the Authority.

**Note 4: DETAIL NOTES – LIABILITIES (CONT'D)**

**Defined Contribution Retirement Program** - The Defined Contribution Retirement Program (DCRP) is a single-employer defined contribution pension fund which was established on July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 (N.J.S.A. 43:15C-1 et. seq.) and expanded under the provisions of Chapter 89, P.L. 2008 and Chapter 1, P.L. 2010. The Defined Contribution Retirement Program Board oversees the DCRP, which is administered for the Division of Pensions and Benefits by Prudential Financial. The DCRP provides eligible members, and their beneficiaries, with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting and benefit provisions are established by N.J.S.A. 43:15C-1 et. seq.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the Authority's contribution amounts for each pay period are transmitted to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period.

The Authority had no employees enrolled in this plan for the year ending June 30, 2014.

**Post-Employment Benefits**

**Plan Description** - The Authority provides postretirement medical and prescription benefits through a health plan for retirees. The Authority's plan is provided through an agreement with the Township of Evesham (see Note 8) which is a self-insured plan. The Authority's plan was approved by the Board on October 9, 2013. The plan covers the all employees and eligible dependents in which said employee is sixty-two (62) years or older and has at least twenty (20) years of service to the Authority. Benefits to the employee will cease when the employee reaches age sixty five (65), dependent coverage ends at this time regardless of age. The benefits are determined by negotiated contract of the collective bargaining unit. A memorandum of understanding limits the authorization of postretirement benefits up to and including June 30, 2018. Retirees must continue to make contributions per Chapter 78 while they receive these benefits.

**Funding Policy** – The plan is funded by the Authority on a "pay as you go basis".

**Retirees** - The Authority receives monthly contributions from retirees to offset a portion of the cost. The Authority's contributions to the plan for the fiscal year ended June 30, 2014 (first plan year) were \$555.07.

**Future Retirees** - In accordance with Statement No. 45 of the Governmental Accounting Standards Board, the Authority is required to expense the *annual required contribution of the employer (ARC)*, an amount actuarially determined in accordance with the parameters of Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty (30) years. The ARC includes the costs of both current and future retirees. The current ARC was determined to be \$60,641.00. As stated above, the Authority has funded the cost of existing retirees in the amount of \$555.07, and has accrued the benefit costs for future eligible employees, but has not yet begun funding this outstanding liability.

**Annual OPEB Cost** - For fiscal year 2014, the Authority's annual OPEB cost (expense) of \$60,641.00 for the plan was equal to the ARC. The percentage of annual OPEB cost contributed was 0%.

**Note 4: DETAIL NOTES – LIABILITIES (CONT'D)****Post-Employment Benefits (Cont'd)**

**Funded Status and Funding Progress** - The unfunded actuarial accrued liability (UAAL) of the plan as of June 30, 2014, was \$635,207.00. There was no actuarial value of plan assets at June 30, 2014.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of the plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

**Actuarial Methods and Assumptions** - The projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the June 30, 2014 actuarial valuation, the unit credit actuarial cost method was used. Under this method, an actuarial accrued liability is determined as the actuarial present value of the portion of projected benefits which is allocated to service before the current plan year. In addition, a normal cost is determined as the actuarial present value of the portion of projected benefits which is allocated to service in the current plan year for each active participant under the assumed retirement age. The UAAL is being amortized (straight-line) for thirty (30) years on an open basis. The actuarial assumptions included the following:

- *Mortality: Group Annuity Mortality Table Turnover.*
- *Future Costs Discount Rate: 5% Compounded Annually*
- *Spousal Coverage: Married Employees Will Remain Married*
- *Rate of Medical Inflation: 7.0% Pre-Medicare; 5.0% Post-Medicare*
- *Administration Expenses: 2% Cost included in Health Care Costs*

**Lease Obligations**

At June 30, 2014, the Authority has operating lease agreements in effect for mail machine, folding machine and copy machines.

Future minimum rental payments under operating lease agreements are as follows:

Year Ending <u>June 30</u>	<u>Amount</u>
2015	\$ 17,039.52

Current year payments under operating leases totaled \$6,243.02

The Authority's administration office is located in the Evesham Township Municipal Complex. The Authority previously paid the Township \$300,000.00 for office space for twenty years. In March 2004, in accordance with amendments to the rental agreement, the Authority paid the Township an additional \$150,847.89 for office space extending the lease to thirty years. In August 2004, the Authority paid the Township \$247,824.00 extending the lease for an additional ten years to June 30, 2038. The Authority has recorded a prepaid expense on its balance sheet and will apply the prepayment to subsequent years budgets over a period of forty years. The Authority's total rental expense for fiscal years 2014 and 2013 was \$24,921.32, including \$20,563.64 for 2014 and \$18,394.32 for 2013 of the prepaid amount that was applied expense.

**Note 4: DETAIL NOTES – LIABILITIES (CONT'D)****Revenue Bonds Payable****2004 Series A**

The 2004 Series A Revenue Bonds in the original amount of \$4,435,000.00 were issued by the Authority on March 1, 2004 pursuant to the 2004 Supplemental Bond Resolution. The Bonds carry interest rates ranging from 1.10% to 4.15%.

Proceeds from the 2004 Bonds were used to refund \$715,000.00 outstanding 1995 Series A bonds and \$3,310,000.00 Series 1996 Series A bonds and to pay certain costs of the issuance of the 2004 Bonds, including the premium for a municipal bond insurance policy.

**2011 Series A**

The 2011 Series A Revenue Bonds in the original amount of \$3,655,000.00 were issued by the Authority on November 16, 2011 pursuant to the 2011 Supplemental Bond Resolution. The Bonds carry interest rates ranging from 1.75% to 5.00%.

Proceeds from the 2011 Bonds were used to finance the acquisition, construction, renovation, and/or installation of an infrastructure project consisting of the rehabilitation of a sewerage pump station and the replacement and reconstruction of sewer mains and related improvements, make a deposit to the Bond Reserve Fund and to pay costs of issuing the 2011 Bonds.

**2012 Series A**

The 2012 Series A Revenue Bonds in the original amount of \$18,865,000.00 were issued by the Authority on April 4, 2012 pursuant to the 2012 Supplemental Bond Resolution. The Bonds carry interest rates ranging from 2.00% to 4.00%.

Proceeds from the 2012 Bonds were used to refund \$13,065,000.00 outstanding 2002 Series A bonds and \$7,335,000.00 Series 2003 Series A bonds and to pay costs of issuing the 2012 Bonds.

A summary of maturities on the 2004, 2011 and 2012 Revenue Bonds Payable at June 30, 2014 is as follows:

<u>Fiscal Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 3,090,000.00	\$ 701,102.50	\$ 3,791,102.50
2016	3,190,000.00	608,963.75	3,798,963.75
2017	3,555,000.00	494,787.50	4,049,787.50
2018	3,695,000.00	351,827.50	4,046,827.50
2019	3,845,000.00	202,826.25	4,047,826.25
2020 to 2024	3,230,000.00	345,285.00	3,575,285.00
2025 to 2027	<u>345,000.00</u>	<u>20,743.75</u>	<u>365,743.75</u>
	20,950,000.00	<u>\$2,725,536.25</u>	<u>\$23,675,536.25</u>
Less: Current Maturities	3,090,000.00		
Premium/ Discount on Bonds	<u>(1,181,997.34)</u>		
Long-term Portion	<u>\$19,041,997.34</u>		

**Note 4: DETAIL NOTES – LIABILITIES (CONT'D)****Debt Service - New Jersey Environmental Infrastructure Trust**

In November 2006, the Authority closed on loans from the New Jersey Environmental Infrastructure Trust totaling \$5,695,000.00 from the Trust and a \$5,699,574.00 from the Fund. The loan proceeds are being used to fund the Kings Grant Sewer Treatment Plant rehabilitation project. As of June 30, 2014, the Authority has drawn all of these funds.

The Fund Loan is a non-interest bearing loan with the first semi-annual principal payment paid July 1, 2007. The Trust Loan carries rates from 4.00% to 5.00%. Both loans have a final maturity of July 1, 2026.

In November 2008, the Authority closed on loans from the New Jersey Environmental Infrastructure Trust totaling \$1,325,000.00 from the Trust and a \$1,307,340.00 from the Fund. The loan proceeds are being used to fund the Kings Grant Sewer Treatment Plant rehabilitation project. As of June 30, 2014, the Authority has drawn all of these funds.

The Fund Loan is a non-interest bearing loan with the first semi-annual principal payment paid July 1, 2009. The Trust Loan carries rates from 5.00% to 5.50%. Both loans have a final maturity of July 1, 2028.

In November 2009, the Authority closed on loans from the New Jersey Environmental Infrastructure Trust totaling \$830,588.00 from the Fund and a \$270,000.00 from the Trust. A portion of the Fund loan principal totaling \$553,725.00 was funded by American Recovery Reinvestment Act proceeds and subsequently forgiven. As a result, the Authority is only liable for \$276,863.00 of the Fund loan. The loan proceeds are being used to fund the Kings Grant Infiltration Basin project. As of June 30, 2014, the Authority has drawn all of these funds.

In May 2014, the Authority closed on loans from the New Jersey Environmental Infrastructure Trust totaling \$1,050,000.00 from the Trust and a \$3,222,073.00 from the Fund. The loan proceeds are being used to fund the Elmwood / Woodstream SCADA project and the Elmwood / Woodstream Treatment Plant Upgrades for Energy Conservation. As of June 30, 2014, the Authority has drawn none of these funds.

The Fund Loan is a non-interest bearing loan with the first semi-annual principal payment due July 1, 2014. The Trust Loan carries rates from 3.00% to 5.00%. Both loans have a final maturity of July 1, 2033.

**Note 4: DETAIL NOTES – LIABILITIES (CONT'D)****Debt Service – New Jersey Environmental Infrastructure Trust (Cont'd)**

The following schedule reflects the Debt Service Requirements for the Authority's N.J.E.I.T. Loans until 2034.

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 846,542.47	\$ 282,407.26	\$ 1,128,949.73
2016	901,570.66	274,382.26	1,175,952.92
2017	928,850.08	256,007.26	1,184,857.34
2018	940,025.03	237,757.26	1,177,782.29
2019	963,076.83	219,782.26	1,182,859.09
2020	977,372.49	201,051.01	1,178,423.50
2021	996,681.13	181,394.76	1,178,075.89
1,015,472.48	160,616.63	1,176,089.11	2022
2023	1,036,695.21	138,788.50	1,175,483.71
2024	1,056,975.05	115,769.75	1,172,744.80
2025	1,075,785.78	90,376.00	1,166,161.78
2026	1,107,376.67	64,663.50	1,172,040.17
2027	1,087,972.60	39,738.50	1,127,711.10
2028	357,911.77	23,176.00	381,087.77
2029	367,911.77	15,376.00	383,287.77
2030	253,219.37	10,101.00	263,320.37
2031	233,834.00	7,776.00	241,610.00
2032	233,834.00	5,676.00	239,510.00
2033	233,834.00	3,532.00	237,366.00
2034	<u>184,227.00</u>	<u>1,219.00</u>	<u>185,446.00</u>
	\$14,799,168.39	<u>\$ 2,329,590.95</u>	<u>\$ 17,128,759.34</u>
Current Portion	<u>846,542.47</u>		
Long Term	<u>\$13,952,625.92</u>		

**Note 5: DETAIL NOTES – DEFERRED INFLOWS OF RESOURCES****Deferred Revenue****Connection Fees**

The Authority receives payments for connection fees when new users connect to the water and/or sewer system. The Authority does not supply the user with supplies or services to make the physical connection and is therefore considered a non-exchange transaction. The Authority recognizes the revenue in the period that the user exercises their right to connect to the system.

**Note 6: DETAIL NOTES – NET POSITION****Net Position Appropriated**

The Authority ended the fiscal year with Unrestricted Net Position totaling \$14,718,668.78. Of that amount, \$475,650.00 has been appropriated and included as support in the sewer utility operating budget, \$1,522,000.00 in the sewer utility capital budget and \$280,062.00 in the water utility operating budget and \$75,000.00 in the water utility capital budget for the fiscal year ending June 30, 2015.



**Note 7: DEVELOPERS' PERFORMANCE DEPOSITS**

The Authority has accepted cash deposits for several construction projects in lieu of performance bonds. Performance bonds and deposits are required by the Authority to insure the proper completion of a project. If a project is not completed to the satisfaction of the Authority, this money or bond will be used to pay for the corrections needed to meet the Authority's requirements. The Authority has established individual bank accounts for each developer's deposit. The accounts are in the name of the developer and the Authority. The Authority has no right to the deposits or interest earned until the time of developer default. Therefore, the Authority does not record the deposits in its financial statements. The total amount of performance deposits at June 30, 2014 and 2013 were \$84,606.40 and \$72,216.12, respectively.

**Note 8: SERVICE AGREEMENTS****Intergovernmental**

In April 1989, the Authority entered into a five year renewable agreement with the Municipal Utilities Authorities of Willingboro and Mount Laurel. The agreement was renewed in April 1994 for an additional period of five years and has been extended by mutual agreement. The agreement details the purchase of water by the Mount Laurel M.U.A. from the Willingboro M.U.A. and the subsequent resale of water by Mount Laurel to the Evesham M.U.A. Evesham M.U.A. is required to purchase a minimum of 50% of the quarterly gallons purchased by the Mount Laurel M.U.A., subject to certain daily requirements, if such water is available. Pursuant to the agreement, the Mount Laurel M.U.A. has title to all interconnection assets and is responsible for their maintenance, except for any extraordinary repair costs for certain defined areas of the interconnection system which would be shared equally with Evesham M.U.A. The payments for water purchases are deemed to be an operating expense to the Evesham M.U.A. and are appropriately charged to the Authority's budget. The amount paid to Mount Laurel M.U.A. for fiscal year 2014 was \$117,074.91 and for fiscal year 2013 was \$265,177.51. An accounts payable has been recorded totaling \$447,043.95 for payment of prior years usage.

On November 12, 2013, the Authority entered into an agreement with the Township of Evesham to provide health and prescription benefits to the Authority employees and dependents through the Township's self-insured benefits plan. The plan is administered by Insurance Administrator of America, Inc (I.A.A.). The agreement calls for the Authority to be billed for 100% of claims associated with their employees and dependents. The Authority will also pay a percentage of the fixed costs associated with the administration of the plan. The agreement provides a maximum claim amount per employee or dependent (individually) of \$75,000.00. A stop loss policy for claims exceeding \$75,000.00 is provided by an insurance policy acquired through a commercial insurance company. The effective date of the agreement was December 1, 2013 and expires November 30, 2105.

**Other Service Agreements**

In June 2000, the Authority entered into a ten year renewable agreement with New Jersey American Water Company, Inc. (NJAWC) for the supply, delivery and purchase of water. The agreement stipulates that for the initial term ending December 31, 2001, the Authority must purchase 850,000 gallons per day. The purchase requirement remained unchanged until February 1, 2002, when the minimum amount was increased to 1,000,000 gallons per day. The agreement automatically renews for two successive ten year terms unless the Authority has received final approval from the NJ Department of Environmental Protection for a new source of supply plan naming an alternative supply source other than NJAWC and the Authority provides NJAWC with written notice of termination not later than one year prior to the end of the current term. If the notice of termination is delivered, the Authority's minimum purchase amount would be decreased 20% in each year of the next successive five years. The Authority paid the NJAWC \$1,148,889.74 during the fiscal year 2014 and \$1,171,244.23 during the fiscal year 2013.

**Note 9: COMMITMENTS AND CONTINGENCIES****Construction Contracts**

The Authority had several outstanding construction projects as of June 30, 2014. These projects are evidenced by contractual commitments with a contractor and include:

<u>Project</u>	<u>Awarded</u>	<u>Commitment Remaining</u>
Sewer Replacement Program	\$ 1,339,638.88	\$ 10,254.33
Well #14	64,400.00	64,400.00
Well Sealing Program	63,609.00	12,129.00
New World Pump Station	1,322,183.23	28,207.66
Environmental Lab Testing	34,920.00	34,920.00
Wastewater Treatment Plant SCADA Systems	1,040,000.00	977,400.00
Wastewater Treatment Plant Upgrades	1,853,056.00	1,853,056.00
Rotary Pump for Filter Press	24,078.00	24,078.00
Air Pipe Replacement	54,000.00	54,000.00
Fire Hydrants	57,665.25	57,665.25
Replacement of Screw Pumps	<u>1,019,452.00</u>	<u>1,019,452.00</u>
	<u>\$ 6,873,002.36</u>	<u>\$ 4,135,562.24</u>

**Litigation**

The Authority is a defendant in several other legal proceedings that are in various stages of litigation. It is believed that the outcome, or exposure to the Authority, from such litigation is either unknown or potential losses, if any, would not be material to the financial statements.

**Note 10: RISK MANAGEMENT**

The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded coverage for the past several years.

# AUTHORITY CONTACT INFORMATION

## 2016

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

<b>Name of Authority:</b>	Evesham Municipal Utilities Authority		
Address:	P.O. Box 467		
City, State, Zip:	Marlton, NJ 08053-0467		
Phone: (ext.)	(856) 983-1878	Fax:	(856) 983-9145

<b>Preparer's Name:</b>	Laura Puszczyk		
Preparer's Address:	P.O. Box 467		
City, State, Zip:	Marlton, NJ 08053-0467		
Phone: (ext.)	(856) 983-1878	Fax:	(856) 983-9145
E-mail:	puszczyk@evesham-nj.gov		

<b>Chief Executive Officer:</b>	Jeffrey Rollins		
Phone: (ext.)	(856) 983-1878	Fax:	(856) 983-9145
E-mail:	rollinsj@evesham-nj.gov		

<b>Chief Financial Officer:</b>	Laura Puszczyk		
Phone: (ext.)	(856) 983-1878	Fax:	(856) 983-9145
E-mail:	puszczyk@evesham-nj.gov		

<b>Name of Auditor:</b>	Kirk N. Applegate		
Name of Firm:	Bowman & Company LLP		
Address:	601 White Horse Road		
City, State, Zip:	Voorhees, NJ 08043		
Phone: (ext.)	(856) 435-6200	Fax:	(856) 435-0440
E-mail:	kapplegate@bowmanllp.com		

# AUTHORITY INFORMATIONAL QUESTIONNAIRE

## EVESHAM MUNICIPAL UTILITIES AUTHORITY

(Name)

FISCAL YEAR: FROM: July 1, 2015 TO: June 30, 2016

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

- 1) Provide the number of individuals employed in calendar year 2014 as reported on the Authority's Form W-3, Transmittal of Wage and Tax Statements: 58
- 2) Provide the amount of total salaries and wages for calendar year 2014 as reported on the Authority's Form W-3, Transmittal of Wage and Tax Statements: \$2,831,290.10
- 3) Provide the number of regular voting members of the governing body: 5
- 4) Provide the number of alternate voting members of the governing body: 2
- 5) Did any person listed on Page N-4 have a family or business relationship with any other person listed on Page N-4 during the current fiscal year? NO
- 6) Did all individuals that were required to file a Financial Disclosure Statement for the current fiscal year because of their relationship with the Authority file the form as required? NO – Board Member Edward Waters who stated he forgot. *If "no," provide a list of those individuals who failed to file a Financial Disclosure Statement and an explanation as to the reason for their failure to file.*
- 7) Does the Authority have any amounts receivable from current or former commissioners, officers, key employees or highest compensated employees? NO *If "yes," attach a list of those individuals, their position, the amount receivable, and a description of the amount due to the Authority.*
- 8) Was the Authority a party to a business transaction with one of the following parties:
  - a. A current or former commissioner, officer, key employee, or highest compensated employee? NO
  - b. A family member of a current or former commissioner, officer, key employee, or highest compensated employee? NO
  - c. An entity of which a current or former commissioner, officer, key employee, or highest compensated employee (or family member thereof) was an officer or direct or indirect owner? NO*If the answer to any of the above is "yes," attach a description of the transaction including the name of the commissioner, officer, key employee, or highest compensated employee (or family member thereof) of the Authority; the name of the entity and relationship to the individual or family member; the amount paid; and whether the transaction was subject to a competitive bid process.*
- 9) Did the Authority during the most recent fiscal year pay premiums, directly or indirectly, on a personal benefit contract? A personal benefit contract is generally any life insurance, annuity, or endowment contract that benefits, directly or indirectly, the transferor, a member of the transferor's family, or any other person designated by the transferor. NO *If "yes," attach a description of the arrangement, the premiums paid, and indicate the beneficiary of the contract.*
- 10) Explain the Authority's process for determining compensation for all persons listed on Page N-4. Include whether the Authority's process includes any of the following: 1) review and approval by the commissioners or a committee thereof; 2) study or survey of compensation data for comparable positions in similarly sized entities; 3) annual or periodic performance evaluation; 4) independent compensation consultant; and/or 5) written employment contract. *Attach narrative.* SEE ATTACHED
- 11) Did the Authority pay for meals or catering during the current fiscal year? YES *If "yes," attach a detailed list of all meals and/or catering invoices for the current fiscal year and provide an explanation for each expenditure listed.* SEE ATTACHED

**AUTHORITY INFORMATIONAL QUESTIONNAIRE**  
**(CONTINUED)**  
**EVESHAM MUNICIPAL UTILITIES AUTHORITY**  
(Name)

**FISCAL YEAR: FROM: July 1, 2015 TO: June 30, 2016**

- 12) Did the Authority pay for travel expenses for any employee or individual listed on Page N-4? YES *If "yes," attach a detailed list of all travel expenses for the current fiscal year and provide an explanation for each expenditure listed. SEE ATTACHED*
- 13) Did the Authority provide any of the following to or for a person listed on Page N-4 or any other employee of the Authority:
- a. First class or charter travel NO
  - b. Travel for companions NO
  - c. Tax indemnification and gross-up payments NO
  - d. Discretionary spending account NO
  - e. Housing allowance or residence for personal use NO
  - f. Payments for business use of personal residence NO
  - g. Vehicle/auto allowance or vehicle for personal use NO
  - h. Health or social club dues or initiation fees NO
  - i. Personal services (i.e.: maid, chauffeur, chef) NO
- If the answer to any of the above is "yes," attach a description of the transaction including the name and position of the individual and the amount expended.*
- 14) Did the Authority follow a written policy regarding payment or reimbursement for expenses incurred by employees and/or commissioners during the course of Authority business and does that policy require substantiation of expenses through receipts or invoices prior to reimbursement? YES *If "no," attach an explanation of the Authority's process for reimbursing employees and commissioners for expenses.*
- 15) Did the Authority make any payments to current or former commissioners or employees for severance or termination? NO *If "yes," attach explanation including amount paid.*
- 16) Did the Authority make any payments to current or former commissioners or employees that were contingent upon the performance of the Authority or that were considered discretionary bonuses? NO *If "yes," attach explanation including amount paid.*
- 17) Did the Authority comply with its Continuing Disclosure Agreements for all debt issuances outstanding by submitting its audited annual financial statements, annual operating data, and notice of material events to the Municipal Securities Rulemaking Board's Electronic Municipal Marketplace Access (EMMA) as required? YES *If "no," attach a description of the Authority's plan to ensure compliance with its Continuing Disclosure Agreements in the future.*
- 18) Did the Authority receive any notices from the Department of Environmental Protection or any other entity regarding maintenance or repairs required to the Authority's systems to bring them into compliance with current regulations and standards that it has not yet taken action to remediate? NO *If "yes," attach explanation as to why the Authority has not yet undertaken the required maintenance or repairs and describe the Authority's plan to address the conditions identified.*
- 19) Did the Authority receive any notices of fines or assessments from the Department of Environmental Protection or any other entity due to noncompliance with current regulations (i.e.: sewer overflow, etc.)? NO *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.*

**Evesham Municipal Utilities Authority**

**FY 16 Budget Submission**

**Page N-3**

**#10. Process for Determining Compensation**

The Authority has a Salary Administration Plan, which is reviewed annually by the Executive Director and the Assistant Executive Director of Business. The job positions are compared to similar positions using the American Water Works Association (AWWA) salary survey, similar positions in similarly sized entities using DataUniverse, and comparison of similar positions to those listed in the Occupational Employment Statistics-Bureau of Labor Statistics. In addition semi-annual employment reviews are conducted by supervisors and management and employees' performance is considered in the salary increase process. The Salary Administration Plan includes minimum, mid-point and maximum salary levels for each position and those ranges are adjusted on an annual basis using one-half of the Consumer Price Index for all Urban Consumers in the Philadelphia-Wilmington-Atlantic City region.

Once the Salary Administration Plan has been updated, the Personnel Committee reviews the plan with the Executive Director and ultimately approves the plan for the upcoming fiscal year after all recommended adjustments have been performed.

The Authority does bring in an independent consultant every 3-4 years to review the Salary Administration Plan and make recommendations/adjustments based on their independent study and research. An independent consultant was used for the preparation of the FY 16 Salary Administration Plan.

PO #	Vendor Name	Description	Amount	Employee or Member Name
33011	Jeffrey Rollins	Dedication for renaming Water Tower	252.49	Staff/Board/Officials
33342	Jeffrey Rollins	AEA Conference 11/18-11/19/14 - Breakfast	\$ 92.20	Jeffrey Rollins, Laura Puszcz, George Tencza, Joseph Fiscaro, Robert Lender
33434	Marlton Tavern	Employee Appreciation Holiday Dinner	\$ 1,167.26	Non-union employees; board
33538	Jeffrey Rollins	Employee Appreciation Holiday Lunch	\$ 405.51	Union employees
33038	Robert Lender	WEFTEC Conference 9/27 - 10/1/14 Breakfast	\$ 80.05	Robert Lender, Jeffrey Rollins, Frank Locantore
33038	Robert Lender	WEFTEC Conference 9/27 - 10/1/14 Breakfast	\$ 81.12	Robert Lender, Jeffrey Rollins, Frank Locantore, Philip Wessner, George Tencza, Daniel Morton
33038	Robert Lender	WEFTEC Conference 9/27 - 10/1/14 Lunch	\$ 12.07	Robert Lender
33038	Robert Lender	WEFTEC Conference 9/27 - 10/1/14 Dinner	\$ 40.00	Robert Lender
33067	Daniel Morton	WEFTEC Conference 9/27 - 10/1/14 Breakfast	\$ 26.61	Daniel Morton, Philip Wessner
33180	Jeffrey Rollins	WEFTEC Conference 9/27 - 10/1/14 Breakfast	\$ 48.29	Robert Lender, Jeffrey Rollins, Frank Locantore, Philip Wessner, George Tencza, Daniel Morton
33180	Jeffrey Rollins	WEFTEC Conference 9/27 - 10/1/14 Breakfast	\$ 98.81	Robert Lender, Jeffrey Rollins, Frank Locantore, Philip Wessner, George Tencza, Daniel Morton
33180	Jeffrey Rollins	WEFTEC Conference 9/27 - 10/1/14 Lunch	\$ 215.97	Robert Lender, Jeffrey Rollins, Frank Locantore, Philip Wessner, George Tencza, Daniel Morton
33180	Jeffrey Rollins	WEFTEC Conference 9/27 - 10/1/14 Dinner	\$ 314.79	Robert Lender, Jeffrey Rollins, Frank Locantore, Philip Wessner, George Tencza, Daniel Morton
33180	Jeffrey Rollins	WEFTEC Conference 9/27 - 10/1/14 Dinner	\$ 144.91	Robert Lender, Jeffrey Rollins, Frank Locantore, Philip Wessner, George Tencza, Daniel Morton
34083	Robert Lender	AEA Conference 3/10 - 3/11/15 - Breakfast	\$ 107.61	Robert Lender, Jeffrey Rollins, Joseph Fiscaro, Daniel Morton, George Tencza, Albert Lutner
34084	Jeffrey Rollins	AEA Conference 3/10 - 3/11/15 - Breakfast	\$ 127.28	Robert Lender, Jeffrey Rollins, Joseph Fiscaro, Daniel Morton, George Tencza, Albert Lutner, Kurt Croft
34084	Jeffrey Rollins	AWWA Conference 3/17-3/19/15 - Dinner	\$ 177.22	Robert Lender, Jeffrey Rollins, Joseph Fiscaro, Daniel Morton, George Tencza, Albert Lutner, Kurt Croft
34084	Jeffrey Rollins	AWWA Conference 3/17-3/19/15 - Breakfast	\$ 54.41	Jeffrey Rollins, Robert Lender, George Tencza
34084	Jeffrey Rollins	AWWA Conference 3/17-3/19/15 - Lunch	\$ 76.88	Jeffrey Rollins, Robert Lender, Kurt Croft, George Tencza
34084	Jeffrey Rollins	AWWA Conference 3/17-3/19/15 - Dinner	\$ 119.12	Jeffrey Rollins, Robert Lender, Kurt Croft, George Tencza, Joseph Fiscaro, Albert Lutner
34084	Jeffrey Rollins	AWWA Conference 3/17-3/19/15 - Dinner	\$ 320.52	Jeffrey Rollins, Robert Lender, Laura Puszcz, George Tencza, Joseph Fiscaro, Albert Lutner, Philip Wessner, Frank Locantore
			\$ 3,963.12	

<u>PO #</u>	<u>Vendor Name</u>	<u>Description</u>	<u>Amount</u>	<u>Employee or Member Name</u>
33338	Daniel Morton	Mileage/cab fare - AEA Conference - 11/18 - 11/19/14	\$ 76.60	Daniel Morton
33340	George Tencza	Mileage - AEA Conference - 11/18 - 11/19/14	\$ 61.60	George Tencza
33337	Joseph Fiscaro	Mileage - AEA Conference - 11/18 - 11/19/14	\$ 61.60	Joseph Fiscaro
33334	Laura Puszcz	Mileage - AEA Conference - 11/18 - 11/19/14	\$ 66.86	Laura Puszcz
33339	Albert Lutner	Mileage - AEA Conference - 11/18 - 11/19/14	\$ 61.60	Albert Lutner
33363	Jeffrey Rollins	Tolls/cab fare - AEA Conference - 11/18 - 11/19/14	\$ 33.75	Jeffrey Rollins
33358	Robert Lender	Parking/cab fare - AEA Conference - 11/18 - 11/19/14	\$ 133.00	Robert Lender
33150	Golden Nugget	AEA Conference - 11/18-11/19/14-Hotel Accommodations	\$ 158.00	Joseph Fiscaro
33150	Golden Nugget	AEA Conference - 11/18-11/19/14-Hotel Accommodations	\$ 158.00	Jeffrey Rollins
33150	Golden Nugget	AEA Conference - 11/18-11/19/14-Hotel Accommodations	\$ 158.00	Robert Lender
33150	Golden Nugget	AEA Conference - 11/18-11/19/14-Hotel Accommodations	\$ 158.00	George Tencza
33150	Golden Nugget	AEA Conference - 11/18/14 -Hotel Accommodations	\$ 79.00	Daniel Morton
33150	Golden Nugget	AEA Conference - 11/18/14 -Hotel Accommodations	\$ 79.00	Frank Locantore
33150	Golden Nugget	AEA Conference - 11/18/14 -Hotel Accommodations	\$ 79.00	Kurt Croft
33150	Golden Nugget	AEA Conference - 11/18/14 -Hotel Accommodations	\$ 79.00	Philip Wessner
33038	Robert Lender	WEFTEC Conference - 9/27 - 10/1/14 - cabfare/Rapid Rover	\$ 177.55	Robert Lender
32525	Robert Lender	WEFTEC Conference - 9/27 - 10/1/14 - Airfare	\$ 365.50	Robert Lender
32638	Jeffrey Rollins	WEFTEC Conference - 9/27 - 10/1/14 - Airfare	\$ 552.03	Jeffrey Rollins
32638	Jeffrey Rollins	WEFTEC Conference - 9/27 - 10/1/14 - Airfare	\$ 552.03	Frank Locantore
32638	Jeffrey Rollins	WEFTEC Conference - 9/27 - 10/1/14 - Airfare	\$ 552.03	Daniel Morton
32638	Jeffrey Rollins	WEFTEC Conference - 9/27 - 10/1/14 - Airfare	\$ 552.03	Philip Wessner
33039	Frank Locantore	WEFTEC Conference - 9/27 - 10/1/14 - Baggage Charge	\$ 25.00	Frank Locantore
33039	Frank Locantore	WEFTEC Conference - 9/27 - 10/1/14 - Baggage Charge	\$ 25.00	Jeffrey Rollins
33039	Frank Locantore	WEFTEC Conference - 9/27 - 10/1/14 - Baggage Charge	\$ 25.00	Philip Wessner
33039	Frank Locantore	WEFTEC Conference - 9/27 - 10/1/14 - Baggage Charge	\$ 25.00	George Tencza
33039	Frank Locantore	WEFTEC Conference - 9/27 - 10/1/14 - Baggage Charge	\$ 25.00	Daniel Morton
33180	Jeffrey Rollins	WEFTEC Conference - 9/27 - 10/1/14 - Ground Transportation	\$ 334.00	Jeffrey Rollins, Robert Lender, Frank Locantore, George Tencza, Philip Wessner, Daniel Morton
33180	Jeffrey Rollins	WEFTEC Conference - 9/27 - 10/1/14 - Hotel Accommodations	\$ 794.34	Jeffrey Rollins
33180	Jeffrey Rollins	WEFTEC Conference - 9/27 - 10/1/14 - Hotel Accommodations	\$ 794.34	Robert Lender
33180	Jeffrey Rollins	WEFTEC Conference - 9/27 - 10/1/14 - Hotel Accommodations	\$ 794.34	Frank Locantore
33180	Jeffrey Rollins	WEFTEC Conference - 9/27 - 10/1/14 - Hotel Accommodations	\$ 794.34	George Tencza
33180	Jeffrey Rollins	WEFTEC Conference - 9/27 - 10/1/14 - Hotel Accommodations	\$ 794.34	Philip Wessner
33180	Jeffrey Rollins	WEFTEC Conference - 9/27 - 10/1/14 - Hotel Accommodations	\$ 794.34	Daniel Morton
33180	Jeffrey Rollins	WEFTEC Conference - 9/27 - 10/1/14 - Cabfare	\$ 12.00	Jeffrey Rollins, Robert Lender, Frank Locantore, George Tencza, Philip Wessner, Daniel Morton
33679	Borgata	AWWA Conference - 3/17 /14 - Hotel Accommodations	\$ 112.86	Joseph Fiscaro
33679	Borgata	AWWA Conference - 3/17 - 3/18/14 - Hotel Accommodations	\$ 225.72	George Tencza
33679	Borgata	AWWA Conference - 3/17 - 3/18/14 - Hotel Accommodations	\$ 225.72	Jeffrey Rollins
33679	Borgata	AWWA Conference - 3/17 - 3/18/14 - Hotel Accommodations	\$ 225.72	Robert Lender
33679	Borgata	AWWA Conference - 3/18 /14 - Hotel Accommodations	\$ 112.86	Kurt Croft
33679	Borgata	AWWA Conference - 3/17 - 3/19/14 - Hotel Accommodations	\$ 338.58	Albert Lutner
33679	Borgata	AWWA Conference - 3/17 /14 - Hotel Accommodations	\$ 112.86	Frank Locantore
34083	Robert Lender	AWWA Conference - 3/18 - 3/19/14 - Hotel Accommodations	\$ 225.72	Philip Wessner
34084	Jeffrey Rollins	AWWA Conference - 3/17 - 3/19/14 - Tolls/Parking	\$ 12.50	Robert Lender
34080	Kurt Croft	AWWA Conference - 3/18-3/19/14 - Parking	\$ 5.00	Jeffrey Rollins
34074	Philip Wessner	AWWA Conference - 3/18-3/19/14 - Mileage	\$ 63.25	Kurt Croft
34072	George Tencza	AWWA Conference - 3/18-3/19/14 - Mileage/Parking	\$ 78.25	Philip Wessner
				George Tencza



<u>PO #</u>	<u>Vendor Name</u>	<u>Description</u>	<u>Amount</u>	<u>Employee or Member Name</u>
34071	Albert Lutner	AWWA Conference - 3/18-3/19/14 - Mileage	\$ 63.25	Albert Lutner
34062	Joseph Fiscaro	AWWA Conference - 3/18-3/19/14 - Mileage	\$ 130.25	Joseph Fiscaro
34081	Laura Puszc	AWWA Conference - 3/18-3/19/14 - Mileage/Parking	\$ 84.78	Laura Puszc
33680	Golden Nugget	AEA Conference - 3/10/14 - Hotel Accomodations	\$ 69.00	Jeffrey Rollins
33680	Golden Nugget	AEA Conference - 3/10/14 - Hotel Accomodations	\$ 69.00	Joseph Fiscaro
33680	Golden Nugget	AEA Conference - 3/10/14 - Hotel Accomodations	\$ 69.00	George Tencza
33680	Golden Nugget	AEA Conference - 3/10/14 - Hotel Accomodations	\$ 69.00	Robert Lender
33680	Golden Nugget	AEA Conference - 3/10/14 - Hotel Accomodations	\$ 69.00	Kurt Croft
33680	Golden Nugget	AEA Conference - 3/10/14 - Hotel Accomodations	\$ 69.00	Daniel Morton
33680	Golden Nugget	AEA Conference - 3/10/14 - Hotel Accomodations	\$ 69.00	Albert Lutner
34084	Jeffrey Rollins	AEA Conference - 3/10 - 3/11/14 - Tolls	\$ 7.50	Jeffrey Rollins
34083	Robert Lender	AEA Conference - 3/10 - 3/11/14 - Cabfare	\$ 37.00	Robert Lender, Jeffrey Rollins, Joseph Fiscaro, George Tencza, Kurt Croft, Daniel Morton, Albert Lutner
34080	Robert Lender	AEA Conference - 3/10 - 3/11/14 - Tolls/parking	\$ 17.50	Robert Lender
34072	George Tencza	AEA Conference - 3/10 - 3/11/14 - Mileage	\$ 63.25	George Tencza
34071	Albert Lutner	AEA Conference - 3/10 - 3/11/14 - Mileage	\$ 63.25	Albert Lutner
34062	Joseph Fiscaro	AEA Conference - 3/10 - 3/11/14 - Mileage	\$ 63.25	Joseph Fiscaro
			\$ 12,747.82	

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

**EVESHAM MUNICIPAL UTILITIES AUTHORITY**

(Name)

**FISCAL YEAR: FROM: July 1, 2015 TO: June 30, 2016**

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

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

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

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

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

- a) The individual received reportable compensation from the authority and all related 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 related entities is greater than \$100,000 for the most recent fiscal year completed.

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

**Reportable compensation:** The aggregate compensation that is reported (or is required to be reported) on Form W-2, box 1 or 5, whichever amount is greater, and/or Form 1099-MISC, box 7, for the most recent calendar year ended 60 days before the start of the proposed budget year. For example, for fiscal years ending December 31, 2015, the calendar year 2013 W-2 and 1099 should be used (60 days prior to start of budget year is November 1, 2014, with 2013 being the most recent calendar year ended), and for fiscal years ending June 30, 2016, the calendar year 2014 W-2 and 1099 should be used (60 days prior to start of budget year is May 1, 2015, with 2014 being the most recent calendar year ended).

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

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

For the Period July 1, 2015 to July 1, 2016  
 Evesham Municipal Utilities Authority  
 June 30, 2016

Reportable Compensation from Authority (W-2/ 1099)																		
Position			Highest Compensated Employee										Total Compensation All Public Entities					
Name	Title	Average Hours per Week Dedicated to Position	Commissioner	Officer	Key Employee	Former	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	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
							Base Salary/Stipend	Bonus	Other	from the Authority (health benefits, pension, etc.)	from Authority							
1 Joseph Piscaro	Chairman	10	X				N/A	N/A	N/A	N/A	\$ -	-	N/A	10	N/A	0	0	\$ -
2 Edward Waters	Vice Chairman	2	X				N/A	N/A	N/A	N/A	-	-	N/A	N/A	N/A	0	0	-
3 Philip Wessner	Secretary	2	X				N/A	N/A	N/A	N/A	-	-	N/A	N/A	N/A	0	0	-
4 Daniel Morton	Asst. Secretary	2	X				N/A	N/A	N/A	N/A	-	-	N/A	N/A	N/A	0	0	-
5 George Tencza	Asst. Secretary	2	X				N/A	N/A	N/A	N/A	-	-	N/A	N/A	N/A	0	0	-
6 Albert Lutner	Alternate #1	2	X				N/A	N/A	N/A	N/A	-	-	N/A	N/A	N/A	0	0	-
7 Michele Hassall	Alternate #2	2	X				N/A	N/A	N/A	N/A	-	-	N/A	N/A	N/A	0	0	-
8 Jeffrey Rollins	Executive Director	40		X			114,806	N/A	6,346	27,954	149,106	-	N/A	N/A	N/A	0	0	149,106
9 Robert Lender	Asst. ED of Oper.	40		X			109,184	N/A	5,856	27,954	142,994	-	N/A	N/A	N/A	0	0	142,994
10 Laura Puszc	Asst. ED of Bus.	40		X			107,104	N/A	5,348	27,954	140,406	-	N/A	N/A	N/A	0	0	140,406
11 Frank Locantore	Personnel Mgr.	40		X			83,633	N/A	5,417	-	89,050	-	N/A	N/A	N/A	0	0	89,050
12 Kurt Croft	Operations Mgr	40		X			84,116	N/A	17,939	22,921	124,976	-	N/A	N/A	N/A	0	0	124,976
13											-	-						-
14											-	-						-
15											-	-						-
Total:							\$ 498,843	\$ -	\$ 40,906	\$ 106,783	\$ 646,533				\$ -	\$ -	\$ -	\$ 646,533

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

# Schedule of Health Benefits - Detailed Cost Analysis

Evesham Municipal Utilities Authority

For the Period

July 1, 2015

to

June 30, 2016

	Annual Cost												
	# of Covered Members (Medical & Rx) Proposed Budget	Estimate per Employee Proposed Budget	Total Cost Estimate Proposed Budget	# of Covered Members (Medical & Rx) Current Year	Annual Cost per Employee Current Year	Total Current Year Cost	\$ Increase (Decrease)	% Increase (Decrease)					
Active Employees - Health Benefits - Annual Cost													
Single Coverage	11	\$ 27,444	\$ 301,884	11	\$ 27,444	\$ 301,884	\$ -	0.0%					
Parent & Child	6	29,424	176,544	6	29,424	176,544	-	0.0%					
Employee & Spouse (or Partner)	7	29,424	205,968	7	29,424	205,968	-	0.0%					
Family	17	31,685	538,645	17	29,424	500,208	38,437	7.7%					
Employee Cost Sharing Contribution (enter as negative - )			(118,296)			(81,706)	(36,590)	44.8%					
Subtotal	41		1,104,745	41		1,102,898	1,847	0.2%					
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	1	27,444	27,444	1	27,444	27,444	-	0.0%					
Parent & Child	0	-	-			-	-	#DIV/0!					
Employee & Spouse (or Partner)	1	29,424	29,424	1	29,424	29,424	-	0.0%					
Family	0	-	-			-	-	#DIV/0!					
Employee Cost Sharing Contribution (enter as negative - )			(713)			(713)	-	0.0%					
Subtotal	2		56,155	2		56,155	-	0.0%					
GRAND TOTAL													
	43		\$ 1,160,900	43		\$ 1,159,053	\$ 1,847	0.2%					

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

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

NO

NO



# Schedule of Accumulated Liability for Compensated Absences

Evesham Municipal Utilities Authority

For the Period

July 1, 2015

to

June 30, 2016

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

Legal Basis for Benefit  
(check applicable items)

Individuals Eligible for Benefit	Gross Days of Accumulated Compensated Absences at beginning of Current Year	Dollar Value of Accrued Compensated Absence Liability	Legal Basis for Benefit (check applicable items)		
			Approved Labor Agreement	Resolution	Individual Employment Agreement
Union Employees	1008.5	215,491	x		
Non-Union Employees	741.25	136,356		x	
Management	284.75	78,920		x	x
Total liability for accumulated compensated absences at beginning of current year		\$ 430,767			

## Schedule of Shared Service Agreements

Evesham Municipal Utilities Authority

For the Period

July 1, 2015

to

June 30, 2016

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

[illegible]

# **2016 AUTHORITY BUDGET**

## **Financial Schedules Section**

# 2016 Budget Summary

Evesham Municipal Utilities Authority  
For the Period July 1, 2015 to June 30, 2016

	Sewer	Water	Proposed Budget				Total All Operations	Current Year Adopted Budget	All Operations	All Operations	\$ Increase (Decrease) Proposed vs. Current Year	% Increase (Decrease) Proposed vs. Current Year
			N/A	N/A	N/A	N/A						
<b>REVENUES</b>												
Total Operating Revenues	\$ 10,887,192	\$ 5,515,843	\$ -	\$ -	\$ -	\$ -	\$ 16,403,035	\$ 15,484,145	\$ 918,890	\$ 918,890		5.9%
Total Non-Operating Revenues	216,500	830,000	-	-	-	-	1,046,500	1,046,500	-	-		0.0%
Total Anticipated Revenues	11,103,692	6,345,843	-	-	-	-	17,449,535	16,530,645	918,890	918,890		5.6%
<b>APPROPRIATIONS</b>												
Total Administration	894,000	835,500	-	-	-	-	1,729,500	1,488,600	240,900	240,900		16.2%
Total Cost of Providing Services	5,954,400	4,346,500	-	-	-	-	10,300,900	10,038,100	262,800	262,800		2.6%
Total Principal Payments on Debt Service in Lieu of Depreciation	3,545,417	1,026,904	-	-	-	-	4,572,321	4,056,582	515,739	515,739		12.7%
Total Operating Appropriations	10,393,817	6,208,904	-	-	-	-	16,602,721	15,583,282	1,019,439	1,019,439		6.5%
Total Interest Payments on Debt	709,875	136,939	-	-	-	-	846,814	947,363	(100,549)	(100,549)		-10.6%
Total Other Non-Operating Appropriations	494,921	284,314	-	-	-	-	779,235	755,712	23,523	23,523		3.1%
Total Non-Operating Appropriations	1,204,796	421,253	-	-	-	-	1,626,049	1,703,075	(77,026)	(77,026)		-4.5%
Accumulated Deficit	-	-	-	-	-	-	-	-	-	-		#DIV/0!
Total Appropriations and Accumulated Deficit	11,598,613	6,630,157	-	-	-	-	18,228,770	17,286,357	942,413	942,413		5.5%
Less: Total Unrestricted Net Position Utilized	494,921	284,314	-	-	-	-	779,235	755,712	23,523	23,523		3.1%
Net Total Appropriations	11,103,692	6,345,843	-	-	-	-	17,449,535	16,530,645	918,890	918,890		5.6%
<b>ANTICIPATED SURPLUS (DEFICIT)</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		#DIV/0!



## 2016 Revenue Schedule

Evesham Municipal Utilities Authority  
For the Period July 1, 2015 to June 30, 2016

	Proposed Budget						Current Year Adopted Budget	\$ Increase (Decrease) Proposed vs. Current Year	% Increase (Decrease) Proposed vs. Current Year
	Sewer	Water	N/A	N/A	N/A	N/A	Total All Operations	All Operations	All Operations
<b>OPERATING REVENUES</b>									
<i>Service Charges</i>									
Residential	\$ 6,744,792	\$ 3,015,843					\$ 9,760,635	\$ 9,394,880	\$ 365,755 3.9%
Business/Commercial	1,365,400	1,144,000					2,509,400	2,388,315	121,085 5.1%
Industrial							-	-	#DIV/0!
Intergovernmental							-	-	#DIV/0!
Other	2,477,000	1,136,000					3,613,000	3,470,950	142,050 4.1%
Total Service Charges	10,587,192	5,295,843	-	-	-	-	15,883,035	15,254,145	628,890 4.1%
<i>Connection Fees</i>									
Residential	300,000	200,000					500,000	160,000	340,000 212.5%
Business/Commercial							-	-	#DIV/0!
Industrial							-	-	#DIV/0!
Intergovernmental							-	-	#DIV/0!
Other							-	-	#DIV/0!
Total Connection Fees	300,000	200,000	-	-	-	-	500,000	160,000	340,000 212.5%
<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>									
Sale of Meters		15,000					15,000	50,000	(35,000) -70.0%
Tower Rentals							-	-	#DIV/0!
Turn On/Off		5,000					5,000	20,000	(15,000) -75.0%
Other Revenue 4							-	-	#DIV/0!
Total Other Revenue	-	20,000	-	-	-	-	20,000	70,000	(50,000) -71.4%
Total Operating Revenues	10,887,192	5,515,843	-	-	-	-	16,403,035	15,484,145	918,890 5.9%
<b>NON-OPERATING REVENUES</b>									
<i>Grants &amp; Entitlements (List)</i>									
Grant #1							-	-	#DIV/0!
Grant #2							-	-	#DIV/0!
Grant #3							-	-	#DIV/0!
Grant #4							-	-	#DIV/0!
Total Grants & Entitlements	-	-	-	-	-	-	-	-	#DIV/0!
<i>Local Subsidies &amp; Donations (List)</i>									
Local Subsidy #1							-	-	#DIV/0!
Local Subsidy #2							-	-	#DIV/0!
Local Subsidy #3							-	-	#DIV/0!
Local Subsidy #4							-	-	#DIV/0!
Total Local Subsidies & Donations	-	-	-	-	-	-	-	-	#DIV/0!
<i>Interest on Investments &amp; Deposits</i>									
Investments	150,000	150,000					300,000	300,000	- 0.0%
Security Deposits							-	-	#DIV/0!
Penalties							-	-	#DIV/0!
Other Investments							-	-	#DIV/0!
Total Interest	150,000	150,000	-	-	-	-	300,000	300,000	- 0.0%
<i>Other Non-Operating Revenues (List)</i>									
Antennae Rent	66,500	680,000					746,500	746,500	- 0.0%
Searches							-	-	#DIV/0!
Inspection Fees							-	-	#DIV/0!
Interest on Delinquent Accounts							-	-	#DIV/0!
Other Non-Operating Revenues	66,500	680,000	-	-	-	-	746,500	746,500	- 0.0%
Total Non-Operating Revenues	216,500	830,000	-	-	-	-	1,046,500	1,046,500	- 0.0%
<b>TOTAL ANTICIPATED REVENUES</b>	<b>\$ 11,103,692</b>	<b>\$ 6,345,843</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 17,449,535</b>	<b>\$ 16,530,645</b>	<b>\$ 918,890 5.6%</b>

## 2015 Revenue Schedule

### Evesham Municipal Utilities Authority

For the Period July 1, 2015 to June 30, 2016

		Current Year Adopted Budget						Total All Operations
		Sewer	Water	N/A	N/A	N/A	N/A	
<b>OPERATING REVENUES</b>								
<i>Service Charges</i>								
Residential	\$	6,620,300	\$	2,774,580				\$ 9,394,880
Business/Commercial		1,338,600		1,049,715				2,388,315
Industrial								-
Intergovernmental								-
Other		2,428,610		1,042,340				3,470,950
Total Service Charges		10,387,510		4,866,635	-	-	-	15,254,145
<i>Connection Fees</i>								
Residential		100,000		60,000				160,000
Business/Commercial								-
Industrial								-
Intergovernmental								-
Other								-
Total Connection Fees		100,000		60,000	-	-	-	160,000
<i>Parking Fees</i>								
Meters								-
Permits								-
Fines/Penalties								-
Other								-
Total Parking Fees		-		-	-	-	-	-
<i>Other Operating Revenues (List)</i>								
Sale of Meters				50,000				50,000
Tower Rentals								-
Turn On/Off				20,000				20,000
Total Other Revenue		-		70,000	-	-	-	70,000
Total Operating Revenues		10,487,510		4,996,635	-	-	-	15,484,145
<b>NON-OPERATING REVENUES</b>								
<i>Grants &amp; Entitlements (List)</i>								
Grant #1								-
Grant #2								-
Grant #3								-
Grant #4								-
Total Grants & Entitlements		-		-	-	-	-	-
<i>Local Subsidies &amp; Donations (List)</i>								
Local Subsidy #1								-
Local Subsidy #2								-
Local Subsidy #3								-
Local Subsidy #4								-
Total Local Subsidies & Donations		-		-	-	-	-	-
<i>Interest on Investments &amp; Deposits</i>								
Investments		150,000		150,000				300,000
Security Deposits								-
Penalties								-
Other Investments								-
Total Interest		150,000		150,000	-	-	-	300,000
<i>Other Non-Operating Revenues (List)</i>								
Antenae rent		66,500		680,000				746,500
Searches								-
Inspection fees								-
Interest on Delinquent Accounts								-
Other Non-Operating Revenues		66,500		680,000	-	-	-	746,500
Total Non-Operating Revenues		216,500		830,000	-	-	-	1,046,500
<b>TOTAL ANTICIPATED REVENUES</b>	<b>\$</b>	<b>10,704,010</b>	<b>\$</b>	<b>5,826,635</b>	<b>\$</b>	<b>-</b>	<b>\$</b>	<b>-</b>
								<b>\$ 16,530,645</b>



# 2016 Appropriations Schedule

Evesham Municipal Utilities Authority  
For the Period July 1, 2015 to June 30, 2016

	Proposed Budget						Current Year Adopted Budget	\$ Increase (Decrease) Proposed vs. Current Year	% Increase (Decrease) Proposed vs. Current Year
	Sewer	Water	N/A	N/A	N/A	N/A	Total All Operations	All Operations	All Operations
<b>OPERATING APPROPRIATIONS</b>									
<i>Administration - Personnel</i>									
Salary & Wages	\$ 286,000	\$ 286,000					\$ 572,000	\$ 43,000	8.1%
Fringe Benefits	110,950	124,950					235,900	43,200	22.4%
Total Administration - Personnel	396,950	410,950	-	-	-	-	807,900	86,200	11.9%
<i>Administration - Other (List)</i>									
Prof. Fees-Eng., Legal, Audit, Ins. Consult., Trustee	249,650	171,150					420,800	10,700	2.6%
Office Expenses	193,400	193,400					386,800	144,000	59.3%
Dues & Subscriptions	8,000	8,000					16,000	-	0.0%
Education & Training	36,000	42,000					78,000	-	0.0%
Miscellaneous Administration*	10,000	10,000					20,000	-	0.0%
Total Administration - Other	497,050	424,550	-	-	-	-	921,600	154,700	20.2%
Total Administration	894,000	835,500	-	-	-	-	1,729,500	240,900	16.2%
<i>Cost of Providing Services - Personnel</i>									
Salary & Wages	2,125,800	1,203,650					3,329,450	179,550	5.7%
Fringe Benefits	1,202,500	633,900					1,836,400	(1,700)	-0.1%
Total COPS - Personnel	3,328,300	1,837,550	-	-	-	-	4,988,000	177,850	3.6%
<i>Cost of Providing Services - Other (List)</i>									
Utilities - Elec./Gas/Telephone	1,119,000	451,000					1,570,000	50,000	3.3%
Repairs/Maintenance/System Expenses	1,068,100	1,784,250					2,852,350	(8,550)	-0.3%
Vehicle Expense	151,000	68,000					219,000	(22,000)	-9.1%
Insurance	134,000	134,000					268,000	8,000	3.1%
Miscellaneous COPS*	154,000	71,700					225,700	57,500	34.2%
Total COPS - Other	2,626,100	2,508,950	-	-	-	-	5,135,050	84,950	1.7%
Total Cost of Providing Services	5,954,400	4,346,500	-	-	-	-	10,300,900	262,800	2.6%
Total Principal Payments on Debt Service in Lieu of Depreciation	3,545,417	1,026,904	-	-	-	-	4,572,321	515,739	12.7%
Total Operating Appropriations	10,393,817	6,208,904	-	-	-	-	15,583,282	1,019,439	6.5%
<b>NON-OPERATING APPROPRIATIONS</b>									
Total Interest Payments on Debt	709,875	136,939	-	-	-	-	846,814	(100,549)	-10.6%
Operations & Maintenance Reserve							-	-	#DIV/0!
Renewal & Replacement Reserve							-	-	#DIV/0!
Municipality/County Appropriation	494,921	284,314					779,235	23,523	3.1%
Other Reserves							-	-	#DIV/0!
Total Non-Operating Appropriations	1,204,796	421,253	-	-	-	-	1,703,075	(77,026)	-4.5%
<b>TOTAL APPROPRIATIONS</b>	11,598,613	6,630,157	-	-	-	-	17,286,357	942,413	5.5%
<b>ACCUMULATED DEFICIT</b>									#DIV/0!
<b>TOTAL APPROPRIATIONS &amp; ACCUMULATED DEFICIT</b>	11,598,613	6,630,157	-	-	-	-	17,286,357	942,413	5.5%
<b>UNRESTRICTED NET POSITION UTILIZED</b>									
Municipality/County Appropriation	494,921	284,314	-	-	-	-	779,235	23,523	3.1%
Other							-	-	#DIV/0!
Total Unrestricted Net Position Utilized	494,921	284,314	-	-	-	-	779,235	23,523	3.1%
<b>TOTAL NET APPROPRIATIONS</b>	\$ 11,103,692	\$ 6,345,843	\$ -	\$ -	\$ -	\$ -	\$ 17,449,535	\$ 918,890	5.6%

\* 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 \$ 519,690.85 \$ 310,445.20 \$ - \$ - \$ - \$ - \$ 830,136.05

# 2015 Appropriations Schedule

Evesham Municipal Utilities Authority  
For the Period July 1, 2015 to June 30, 2016

	Current Year Adopted Budget						Total All Operations
	Sewer	Water	N/A	N/A	N/A	N/A	
<b>OPERATING APPROPRIATIONS</b>							
<i>Administration - Personnel</i>							
Salary & Wages	\$ 264,500	\$ 264,500					\$ 529,000
Fringe Benefits	90,350	102,350					192,700
Total Administration - Personnel	354,850	366,850	-	-	-	-	721,700
<i>Administration - Other (List)</i>							
Prof. Fees-Eng., Legal, Audit, Ins. Consult., Trustee	239,300	170,800					410,100
Office Expenses	121,400	121,400					242,800
Dues & Subscription	8,000	8,000					16,000
Education & Training	38,000	40,000					78,000
Miscellaneous Administration*	10,000	10,000					20,000
Total Administration - Other	416,700	350,200	-	-	-	-	766,900
Total Administration	771,550	717,050	-	-	-	-	1,488,600
<i>Cost of Providing Services - Personnel</i>							
Salary & Wages	2,053,750	1,096,150					3,149,900
Fringe Benefits	1,203,100	635,000					1,838,100
Total COPS - Personnel	3,256,850	1,731,150	-	-	-	-	4,988,000
<i>Cost of Providing Services - Other (List)</i>							
Utilities-Elec./ Gas /Telephone	1,091,000	429,000					1,520,000
Repairs/Maintenance/System Expenses	1,060,400	1,800,500					2,860,900
Vehicle Expenses	168,500	72,500					241,000
Insurance	130,000	130,000					260,000
Miscellaneous COPS*	102,500	65,700					168,200
Total COPS - Other	2,552,400	2,497,700	-	-	-	-	5,050,100
Total Cost of Providing Services	5,809,250	4,228,850	-	-	-	-	10,038,100
Total Principal Payments on Debt Service in Lieu of Depreciation	3,316,207	740,375	-	-	-	-	4,056,582
Total Operating Appropriations	9,897,007	5,686,275	-	-	-	-	15,583,282
<b>NON-OPERATING APPROPRIATIONS</b>							
Total Interest Payments on Debt	807,003	140,360	-	-	-	-	947,363
Operations & Maintenance Reserve							-
Renewal & Replacement Reserve							-
Municipality/County Appropriation	475,650	280,062					755,712
Other Reserves							-
Total Non-Operating Appropriations	1,282,653	420,422	-	-	-	-	1,703,075
<b>TOTAL APPROPRIATIONS</b>	11,179,660	6,106,697	-	-	-	-	17,286,357
<b>ACCUMULATED DEFICIT</b>							-
<b>TOTAL APPROPRIATIONS &amp; ACCUMULATED DEFICIT</b>	11,179,660	6,106,697	-	-	-	-	17,286,357
<b>UNRESTRICTED NET POSITION UTILIZED</b>							
Municipality/County Appropriation	475,650	280,062	-	-	-	-	755,712
Other							-
Total Unrestricted Net Position Utilized	475,650	280,062	-	-	-	-	755,712
<b>TOTAL NET APPROPRIATIONS</b>	\$ 10,704,010	\$ 5,826,635	\$ -	\$ -	\$ -	\$ -	\$ 16,530,645

\* 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 \$ 494,850.35 \$ 284,313.75 \$ - \$ - \$ - \$ - \$ 779,164.10



# 5 Year Debt Service Schedule - Principal

Evesham Municipal Utilities Authority

Fiscal Year Beginning in

	Current Year (2014)	2015	2016	2017	2018	2019	2020	Thereafter	Total Principal Outstanding
<b>Sewer</b>									
Bonds - Series 2004, 2011 & 2012	\$ 2,449,630	\$ 2,616,558	\$ 2,721,042	\$ 2,830,062	\$ 570,360	\$ 583,994	\$ 920,000	\$ 1,390,000	\$ 11,632,016
NJEIT 2006 & 2008	678,660	700,945	707,115	730,170	739,462	758,770	772,565	4,115,250	8,524,277
NJEIT 2010	24,080	24,080	29,080	29,080	29,080	29,080	29,080	242,930	412,410
NJEIT 2014	163,837	203,834	203,834	208,834	208,834	213,834	213,834	2,452,563	3,705,567
Total Principal	3,316,207	3,545,417	3,661,071	3,798,146	1,547,736	1,585,678	1,935,479	8,200,743	24,274,270
<b>Water</b>									
Bonds - Series 2012	740,375	938,442	973,958	1,014,938	54,640	56,006			3,037,984
NJEIT - Proposed		88,462	88,462	93,462	93,462	93,462	93,462	1,181,544	1,732,316
Total Principal	740,375	1,026,904	1,062,420	1,108,400	148,102	149,468	93,462	1,181,544	4,770,300
<b>N/A</b>									
Debt Issuance #1									-
Debt Issuance #2									-
Debt Issuance #3									-
Debt Issuance #4									-
Total Principal	-	-	-	-	-	-	-	-	-
<b>N/A</b>									
Debt Issuance #1									-
Debt Issuance #2									-
Debt Issuance #3									-
Debt Issuance #4									-
Total Principal	-	-	-	-	-	-	-	-	-
<b>N/A</b>									
Debt Issuance #1									-
Debt Issuance #2									-
Debt Issuance #3									-
Debt Issuance #4									-
Total Principal	-	-	-	-	-	-	-	-	-
<b>TOTAL PRINCIPAL ALL OPERATIONS</b>	\$ 4,056,582	\$ 4,572,321	\$ 4,723,491	\$ 4,906,546	\$ 1,695,838	\$ 1,735,146	\$ 2,028,941	\$ 9,382,287	\$ 29,044,570

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

	Moody's	Fitch	Standard & Poors
Bond Rating	Aaa	N/A	AAA
Year of Last Rating	1993		1993

# 5 Year Debt Service Schedule - Interest

Evesham Municipal Utilities Authority

Fiscal Year Beginning in

	Current Year (2014)	2015	2016	2017	2018	2019	2020	Thereafter	Total Interest Payments Outstanding
<b>Sewer</b>									
Bonds - Series 2004, 2011 & 2012	\$ 512,780	\$ 444,390	\$ 341,905	\$ 234,960	\$ 123,460	\$ 106,410	\$ 88,470	\$ 106,100	\$ 1,445,695
NJEIT 2006/2008	234,310	218,060	200,810	186,010	170,360	154,145	136,895	400,750	1,467,030
NJEIT 2010	9,600	9,100	8,600	7,850	7,100	6,500	5,750	24,700	69,600
NJEIT 2014	50,313	38,325	37,126	35,126	33,126	30,876	28,626	165,725	368,930
Total Interest Payments	807,003	709,875	588,441	463,946	334,046	297,931	259,741	697,275	3,351,255
<b>Water</b>									
Bonds - Series 2012	140,360	120,415	82,875	43,920	3,320	1,685			252,215
NJEIT - Proposed		16,524							16,524
Total Interest Payments	140,360	136,939	82,875	43,920	3,320	1,685	-	-	268,739
<b>N/A</b>									
Debt Issuance #1									-
Debt Issuance #2									-
Debt Issuance #3									-
Debt Issuance #4									-
Total Interest Payments	-	-	-	-	-	-	-	-	-
<b>N/A</b>									
Debt Issuance #1									-
Debt Issuance #2									-
Debt Issuance #3									-
Debt Issuance #4									-
Total Interest Payments	-	-	-	-	-	-	-	-	-
<b>N/A</b>									
Debt Issuance #1									-
Debt Issuance #2									-
Debt Issuance #3									-
Debt Issuance #4									-
Total Interest Payments	-	-	-	-	-	-	-	-	-
<b>N/A</b>									
Debt Issuance #1									-
Debt Issuance #2									-
Debt Issuance #3									-
Debt Issuance #4									-
Total Interest Payments	-	-	-	-	-	-	-	-	-
<b>TOTAL INTEREST ALL OPERATIONS</b>	\$ 947,363	\$ 846,814	\$ 671,316	\$ 507,866	\$ 337,366	\$ 299,616	\$ 259,741	\$ 697,275	\$ 3,619,994



# 2016 Net Position Reconciliation

Evesham Municipal Utilities Authority

For the Period

July 1, 2015

to

June 30, 2016

*Proposed Budget*

## TOTAL NET POSITION BEGINNING OF CURRENT YEAR (1)

Less: Invested in Capital Assets, Net of Related Debt (1)

Less: Restricted for Debt Service Reserve (1)

Less: Other Restricted Net Position (1)

Total Unrestricted Net Position (1)

Less: Designated for Non-Operating Improvements & Repairs

Less: Designated for Rate Stabilization

Less: Other Designated by Resolution

Plus: Accrued Unfunded Pension Liability (1)

Plus: Accrued Unfunded Other Post-Employment Benefit Liability (1)

Plus: Estimated Income (Loss) on Current Year Operations (2)

Plus: Other Adjustments (attach schedule)

## UNRESTRICTED NET POSITION AVAILABLE FOR USE IN PROPOSED BUDGET

Unrestricted Net Position Utilized to Balance Proposed Budget

Unrestricted Net Position Utilized in Proposed Capital Budget

Appropriation to Municipality/County (3)

Total Unrestricted Net Position Utilized in Proposed Budget

## PROJECTED UNRESTRICTED UNDESIGNATED NET POSITION AT END OF YEAR

(4)

(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

(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.

	Sewer	Water	N/A	N/A	N/A	N/A	Total All Operations
\$	27,937,807	\$ 12,808,232					\$ 40,746,039
	8,289,726	8,777,689					17,067,415
	3,606,272	972,008					4,578,280
	2,620,200	1,761,475					4,381,675
	13,421,608	1,297,060	-	-	-	-	14,718,669
							-
							-
							-
							-
	150,000	100,000					250,000
							-
	13,571,608	1,397,060	-	-	-	-	14,968,669
	-	-	-	-	-	-	-
	1,825,000	396,250	-	-	-	-	2,221,250
	494,921	284,314	-	-	-	-	779,235
	2,319,921	680,564	-	-	-	-	3,000,485
\$	11,251,687	\$ 716,496	\$ -	\$ -	\$ -	\$ -	\$ 11,968,184

2016

EVESHAM MUNICIPAL UTILITIES AUTHORITY

(Name)

AUTHORITY  
CAPITAL  
BUDGET/  
PROGRAM



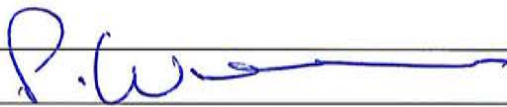
# 2016 CERTIFICATION OF AUTHORITY CAPITAL BUDGET/PROGRAM

## EVESHAM MUNICIPAL UTILITIES AUTHORITY

(Name)

**FISCAL YEAR:**    **FROM:**    July 1, 2015    **TO:**    June 30, 2016

[ X ]        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 Evesham Municipal Utilities Authority, on the 1<sup>st</sup> day of April, 2015.

Officer's Signature:			
Name:	Philip Wessner		
Title:	Secretary		
Address:	P.O. Box 467 Marlton, NJ 08053-0467		
Phone Number:	(856) 983-1878	Fax Number:	(856) 983-1878
E-mail address	wessnerp@evesham-nj.gov		

# 2016 CAPITAL BUDGET/PROGRAM MESSAGE

## EVESHAM MUNICIPAL UTILITIES AUTHORITY

(Name)

**FISCAL YEAR:**    **FROM:**    July 1, 2015    **TO:**    June 30, 2016

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

Yes

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?

Yes

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

Yes

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

The Authority will investigate other financing sources such as grants to fund its major capital projects. If other financing sources are not available, the Authority will consider borrowing the funds necessary to finance the projects and will evaluate the impact on the rates to determine if the projects will be implemented.

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.

N/A - None

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.

N/A - None

*Add additional sheets if necessary.*

# 2016 Proposed Capital Budget

**Evesham Municipal Utilities Authority**  
For the Period July 1, 2015 to June 30, 2016

	Estimated Total Cost	Funding Sources				
		Unrestricted Net Position Utilized	Renewal & Replacement Reserve	Debt Authorization	Capital Grants	Other Sources
<i>Sewer</i>						
Lift Station Rehabilitation	\$ 600,000	\$ 600,000				
UV Disinfection Replacement	125,000	125,000				
Treatment Plant Improvements	1,100,000	1,100,000				
Main Replacement	-					
Total	1,825,000	1,825,000	-	-	-	-
<i>Water</i>						
Wells - ASR 13/14 & Buildings	1,400,000			1,400,000		
Water Towers	1,000,000			1,000,000		
Water Main Replacements	240,000	240,000				
Generators	156,250	156,250				
Total	2,796,250	396,250	-	2,400,000	-	-
<i>N/A</i>						
Project A Description	-					
Project B Description	-					
Project C Description	-					
Project D Description	-					
Total	-	-	-	-	-	-
<i>N/A</i>						
Project A Description	-					
Project B Description	-					
Project C Description	-					
Project D Description	-					
Total	-	-	-	-	-	-
<i>N/A</i>						
Project A Description	-					
Project B Description	-					
Project C Description	-					
Project D Description	-					
Total	-	-	-	-	-	-
<i>N/A</i>						
Project A Description	-					
Project B Description	-					
Project C Description	-					
Project D Description	-					
Total	-	-	-	-	-	-
<b>TOTAL PROPOSED CAPITAL BUDGET</b>	<b>\$ 4,621,250</b>	<b>\$ 2,221,250</b>	<b>\$ -</b>	<b>\$ 2,400,000</b>	<b>\$ -</b>	<b>\$ -</b>

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

# 5 Year Capital Improvement Plan

## Evesham Municipal Utilities Authority

For the Period

July 1, 2015

to

June 30, 2016

	Estimated Total Cost	Fiscal Year Beginning in					
		Current Year Proposed Budget	2016	2017	2018	2019	2020
Sewer							
Lift Station Rehabilitation	\$ 5,600,000	\$ 600,000			\$ 1,100,000	\$ 3,900,000	
UV Disinfection Replacement	625,000	125,000	500,000				
Treatment Plant Improvements	3,350,000	1,100,000	1,150,000		198,000	902,000	
Main Replacement	1,250,400	-	458,400	792,000			
Total	10,825,400	1,825,000	2,108,400	792,000	1,298,000	4,802,000	-
Water							
Wells - ASR 13/14 & Buildings	2,250,000	1,400,000	170,000	680,000			
Water Towers	3,500,000	1,000,000	500,000	2,000,000			
Water Main Replacements	1,190,400	240,000	158,400	792,000			
Generators	156,250	156,250					
Total	7,096,650	2,796,250	828,400	3,472,000	-	-	-
N/A							
Project A Description	-	-					
Project B Description	-	-					
Project C Description	-	-					
Project D Description	-	-					
Total	-	-	-	-	-	-	-
N/A							
Project A Description	-	-					
Project B Description	-	-					
Project C Description	-	-					
Project D Description	-	-					
Total	-	-	-	-	-	-	-
N/A							
Project A Description	-	-					
Project B Description	-	-					
Project C Description	-	-					
Project D Description	-	-					
Total	-	-	-	-	-	-	-
N/A							
Project A Description	-	-					
Project B Description	-	-					
Project C Description	-	-					
Project D Description	-	-					
Total	-	-	-	-	-	-	-
TOTAL	\$ 17,922,050	\$ 4,621,250	\$ 2,936,800	\$ 4,264,000	\$ 1,298,000	\$ 4,802,000	\$ -

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

### Evesham Municipal Utilities Authority

For the Period July 1, 2015 to June 30, 2016

		<i>Funding Sources</i>				
	Estimated Total Cost	Unrestricted Net Position Utilized	Renewal & Replacement Reserve	Debt Authorization	Capital Grants	Other Sources
<i>Sewer</i>						
Lift Station Rehabilitation	\$ 5,600,000	\$ 600,000		\$ 5,000,000		
UV Disinfection Replacement	625,000	625,000				
Treatment Plant Improvements	3,350,000	2,250,000		1,100,000		
Main Replacement	1,250,400	1,250,400				
Total	10,825,400	4,725,400	-	6,100,000	-	-
<i>Water</i>						
Wells - ASR 13/14 & Buildings	2,250,000	850,000		1,400,000		
Water Towers	3,500,000			3,500,000		
Water Main Replacements	1,190,400	240,000		950,400		
Generators	156,250	156,250				
Total	7,096,650	1,246,250	-	5,850,400	-	-
<i>N/A</i>						
Project A Description	-					
Project B Description	-					
Project C Description	-					
Project D Description	-					
Total	-	-	-	-	-	-
<i>N/A</i>						
Project A Description	-					
Project B Description	-					
Project C Description	-					
Project D Description	-					
Total	-	-	-	-	-	-
<i>N/A</i>						
Project A Description	-					
Project B Description	-					
Project C Description	-					
Project D Description	-					
Total	-	-	-	-	-	-
<i>N/A</i>						
Project A Description	-					
Project B Description	-					
Project C Description	-					
Project D Description	-					
Total	-	-	-	-	-	-
<b>TOTAL</b>	<b>\$ 17,922,050</b>	<b>\$ 5,971,650</b>	<b>\$ -</b>	<b>\$ 11,950,400</b>	<b>\$ -</b>	<b>\$ -</b>
Total 5 Year Plan per CB-4	\$ 17,922,050					
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.