

Fiscal Year Start Year End Year
 2023 - 2023

Authority Budget of:
Musconetcong Sewerage Authority

State Filing Year 2023 **ADOPTED COPY**

For the Period: *January 1, 2023* *to* *December 31, 2023*

www.msa-nj.org
Authority Web Address



Division of Local Government Services

**2023 AUTHORITY BUDGET
CERTIFICATION SECTION**

2023

Musconetcong Sewerage Authority

AUTHORITY BUDGET

FISCAL YEAR: January 01, 2023 to December 31, 2023

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: Paul D. Cwert CPA, RMA Date: 10/23/2023

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: Paul D. Cwert CPA, RMA Date: 10/23/2023

2023 PREPARER'S CERTIFICATION

Musconetcong Sewerage Authority

AUTHORITY BUDGET

FISCAL YEAR: January 01, 2023 to December 31, 2023

It is hereby certified that the Authority Budget, including 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 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:	jschilling@msa-nj.org
Name:	James Schilling
Title:	Executive Director
Address:	110 Continental Drive Budd Lake, NJ 07828
Phone Number:	973-347-1525
Fax Number:	973-347-8356
E-mail Address:	jschilling@msa-nj.org

AUTHORITY INTERNET WEBSITE CERTIFICATION

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

- A description of the Authority's mission and responsibilities.
- 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 *(Similar information includes items such as Revenue and Expenditure pie charts, or other types of charts, along with other information that would be useful to the public in understanding the finances/budget of the Authority).*
- The complete (all pages) annual audits (not the Audit Synopsis) for the most recent fiscal year and immediately preceding two prior years.
- The Authority's rules, regulations and official policy statements deemed relevant by the governing body of the Authority to the interests of the residents within the Authority's service area or jurisdiction.
- Notice posted pursuant to the "Open Public Meetings Act" for each meeting of the Authority, setting forth the time date, location and agenda of each meeting.
- The approved minutes of each meeting of the Authority including all resolutions of the board and their committees; for at least three consecutive fiscal years.
- The name, mailing address, electronic mail address and phone number of every person who exercises day-to-day supervision or management over some or all of the operations of the Authority.
- A list of attorneys, advisors, consultants and any other person, firm, business, partnership, corporation or other organization which received any remuneration of \$17,500 or more during the preceding fiscal year for any service whatsoever rendered to the Authority.

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

Name of Officer Certifying Compliance: James Schilling
Title of Officer Certifying Compliance: Executive Director
Signature: jschilling@msa-nj.org

2023 APPROVAL CERTIFICATION

Musconetcong Sewerage Authority

AUTHORITY BUDGET

FISCAL YEAR: January 01, 2023 to December 31, 2023

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 Musconetcong Sewerage Authority, at an open public meeting held pursuant to N.J.A.C. 5:3 1-2.3, on October 27, 2022.

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

Officer's Signature:	jschwab@Morristwp.com
Name:	Joseph Schwab
Title:	Secretary/ Treasurer
Address:	110 Continental Drive Budd Lake, NJ 07828
Phone Number:	973-347-1525
Fax Number:	973-347-8356
E-mail Address:	jschwab@Morristwp.com

2023 AUTHORITY BUDGET RESOLUTION

Musconetcong Sewerage Authority

FISCAL YEAR: January 01, 2023 to December 31, 2023

WHEREAS, the Annual Budget for Musconetcong Sewerage Authority for the fiscal year beginning January 01, 2023 and ending December 31, 2023 has been presented before the governing body of the Musconetcong Sewerage Authority at its open public meeting of October 27, 2022; and

WHEREAS, the Annual Budget as introduced reflects Total Revenues of \$4,480,000.00, Total Appropriations including any Accumulated Deficit, if any, of \$4,599,889.00, and Total Unrestricted Net Position planned to be utilized as funding thereof, of \$119,889.00; and

WHEREAS, the Capital Budget as introduced reflects Total Capital Appropriations of \$2,760,000.00 and Total Unrestricted Net Position planned to be utilized as funding thereof, of \$300,000.00; and

WHEREAS, the schedule of rents, 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 Musconetcong Sewerage Authority, at an open public meeting held on October 27, 2022 that the Annual Budget, including all related schedules, and the Capital Budget/Program of the Musconetcong Sewerage Authority for the fiscal year beginning January 01, 2023 and ending December 31, 2023, 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 Housing 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 Musconetcong Sewerage Authority will consider the Annual Budget and Capital Budget/Program for Adoption on November 22, 2022.

jschwab@Morristwp.com
(Secretary's Signature)

10/27/2022
(Date)

Governing Body Recorded Vote

Member	Aye	Nay	Abstain	Absent
Benson				X
Cangiano	X			
Grogan				X
McNeilly	X			
Michetti				X
Pucilowski	X			
Rattner	X			
Romano	X			
Schindelar				X
Schwab	X			
Still	X			
Sylvester	X			

2023 ADOPTION CERTIFICATION

Musconetcong Sewerage Authority

AUTHORITY BUDGET

FISCAL YEAR: January 01, 2023 to December 31, 2023

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 Musconetcong Sewerage Authority, pursuant to N.J.A.C 5:31-2.3, on November 22, 2022.

Officer's Signature:	jschwab@Morristwp.com		
Name:	Joseph Schwab		
Title:	Secretary/ Treasurer		
Address:	110 Continental Drive Budd Lake, NJ 07828		
Phone Number:	973-347-1525	Fax:	973-347-8356
E-mail address:	jschwab@Morristwp.com		

2023 ADOPTED BUDGET RESOLUTION

Musconetcong Sewerage Authority

FISCAL YEAR: January 01, 2023 to December 31, 2023

WHEREAS, the Annual Budget and Capital Budget/Program for the Musconetcong Sewerage Authority for the fiscal year beginning January 01, 2023 and ending December 31, 2023 has been presented for adoption before the governing body of the Musconetcong Sewerage Authority at its open public meeting of November 22, 2022; 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 presented for adoption reflects Total Revenues of \$4,480,000.00, Total Appropriations, including any Accumulated Deficit, if any, of \$4,599,889.00, and Total Unrestricted Net Position utilized of \$119,889.00; and

WHEREAS, the Capital Budget as presented for adoption reflect Total Capital Appropriations of \$2,760,000.00 and Total Unrestricted Net Position Utilized of \$300,000.00; and

NOW, THEREFORE BE IT RESOLVED, by the governing body of the Musconetcong Sewerage Authority at an open public meeting held on November 22, 2022 that the Annual Budget and Capital Budget/Program of the Musconetcong Sewerage Authority for the fiscal year beginning January 01, 2023 and ending December 31, 2023 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.

jschwab@Morristwp.com

(Secretary's Signature)

11/22/2022

(Date)

Governing Body Recorded Vote

Member	Aye	Nay	Abstain	Absent
Benson				X
Cangiano	X			
Grogan	X			
McNeilly	X			
Michetti				X
Pucilowski				X
Rattner	X			
Romano	X			
Schindelar	X			
Schwab	X			
Still	X			
Sylvester	X			

**2023 AUTHORITY BUDGET
NARRATIVE AND INFORMATION SECTION**

2023 AUTHORITY BUDGET MESSAGE & ANALYSIS

Musconetcong Sewerage Authority

FISCAL YEAR: January 01, 2023 to December 31, 2023

Answer all questions below using the space provided. Do not attach answers as a separate document.

1. Complete a brief statement on the Fiscal Year 2023 proposed Annual Budget and make comparison to the Fiscal Year 2022 adopted budget for each Revenues and Appropriations. Explain any variances over +/-10% (as shown on budget pages F-2 and F-4) for each individual revenue and appropriation line item. Explanations of variances should include a description of the reason for the increase or decrease in the budgeted line item, not just an indication of the amount and percent of change. Upload any supporting documentation that will help explain the reason for the increase or decrease in the budgeted line item.

The Musconetcong Sewerage Authority proposes a budget of \$4,480,000 in anticipated revenues (-1.3% decrease from the 2022 budget) and \$4,599,889 in appropriations (-1.0 percent decrease from the 2022 budget). Included in this budget is a 35.2% increase in sludge disposal appropriations due to an anticipated increase in the costs of services, a 63.3 % decrease in budgeted principal payments and 42.7% increase in budgeted interest payments due to the payoff of the Sereis 2002A and 2007 bonds in the 2022 fiscal year. The Authority is also anticipating a 10.2% increase in health benefits due to projected cost increases.

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

The local economy has been affected by rising energy, material and inflationary costs. The Musconetcong Sewerage Authority has considered this factor while preparing the 2023 budget.

3. 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 anticipated a use of Unrestricted Net Position, this question must be answered.

The Authority is utilizing \$119,889 in unrestricted net position in the operating budget in order to keep participant charges stable. The Authority also is utilizing \$300,000 in unrestricted: designated for capital improvements net position to fund various capital projects.

2023 AUTHORITY BUDGET MESSAGE & ANALYSIS

Musconetcong Sewerage Authority

FISCAL YEAR: January 01, 2023 to December 31, 2023

Answer all questions below using the space provided. Do not attach answers as a separate document.

4. Identify any sources of funds transferred to the County/Municipality as a budget subsidy or shared service payments, pilot payments, or other types of contracts or agreements. (Example - To provide police services to the Authority, etc. and explain the reason for the transfer (i.e. to balance the County/Municipal Budget, etc.)

This is not applicable to the Authority.

5. The proposed budget must not reflect an anticipated deficit from 2023 operations. If there exists an accumulated deficit from prior year's budgets (and funding is included in the proposed budget as a result of a prior year 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.

The Authority reported a (\$1,016,845) deficit in unrestricted, undesignated net position in the audit report for the year ending December 31, 2021. \$1,748,719 is directly attributable to the implementation of GASB 68. The Authority will continue to pay the annual pension bill and overtime the increasing amounts of these payments will fund this deficit.

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

2023 AUTHORITY BUDGET MESSAGE & ANALYSIS

Musconetcong Sewerage Authority

FISCAL YEAR: January 01, 2023 to December 31, 2023

Answer all questions below using the space provided. Do not attach answers as a separate document.

6. Attach a schedule of the Authority's existing rate structure (connection fees, parking fees, service charges, etc.) **if it has been changed since the prior year budget submission** and a schedule of the proposed rate structure for the upcoming fiscal year. Explain any proposed changes in the rate structure and attach the resolution approving the change in rate structure, **if applicable**. (If no changes to fees or rates, indicate answer as "**Rates Are Staying The Same**").

There are no changes to the Authority's existing rate structure. The Authority has several contracts with each of the seven member Municipalities.

AUTHORITY CONTACT INFORMATION

2023

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

Name of Authority:	Musconetcong Sewerage Authority		
Federal ID Number:	22-1866449		
Address:	110 Continental Drive		
City, State, Zip:	Budd Lake	NJ	07828
Phone: (ext.)	973-347-1525	Fax:	973-347-8356

Preparer's Name:	James Schilling		
Preparer's Address:	110 Continental Drive		
City, State, Zip:	Budd Lake		
City, State, Zip:	Budd Lake	NJ	07828
Phone: (ext.)	973-347-1525	Fax:	973-347-8356
E-mail:	jschilling@msa-nj.org		

Chief Executive Officer*	James Schilling		
<i>*Or person who performs these functions under another title.</i>			
Phone: (ext.)	973-347-1525	Fax:	973-347-8356
E-mail:	jschilling@msa-nj.org		

Chief Financial Officer*	James Schilling		
<i>*Or person who performs these functions under another title.</i>			
Phone: (ext.)	973-347-1525	Fax:	973-347-8356
E-mail:	jschilling@msa-nj.org		

Name of Auditor:	Robert McNinch		
Name of Firm:	Wielkotz & Company, LLC		
Address:	401 Wanaque Avenue		
City, State, Zip:	Pompton Lakes		
City, State, Zip:	Pompton Lakes	NJ	07442
Phone: (ext.)	973-835-7900	Fax:	973-835-6631
E-mail:	rmcninch@w-cpa.com		

AUTHORITY INFORMATIONAL QUESTIONNAIRE

Musconetcong Sewerage Authority

FISCAL YEAR: January 01, 2023 to December 31, 2023

1. Provide the number of individuals employed as reported on the Authority's most recent Form W-3, Transmittal of Wage, and Tax Statement:

2. Provide the amount of total salaries and wages reported on the Authority's most recent Form W-3, Transmittal of Wage, and Tax Statements:

3. Provide the number of regular voting members of the governing body:

(5 or 7 per State statute, possibly more for regional authorities)

4. Provide the number of alternate voting members of the governing body:

(Maximum is 2)

5. **Regional Authorities Only** - 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?

Check to see if individuals filed their FDS on the FDS webpage: <https://www.nj.gov/dca/divisions/dlgs/resources/fds.html>.

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.

6. Does the Authority have any amounts receivable from current or former commissioners, officers, key employees, or the highest compensated employee?

If "yes", provide a list of those individuals, their position, the amount receivable, and a description of the amount due to the Authority.

7. 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?

b. A family member of a current or former commissioner, officer, key employee, or highest compensated employee?

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?

If the answer to any of the above is "yes", provide 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.

8. 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.*

If "yes", provide a description of the arrangement, the premiums paid, and indicate the beneficiary of the contract.

9. Explain the Authority's process for determining compensation for all persons listed on Page N-4. Include whether the Authority's process includes any of the following: 1) review and approval by the commissioners or a committee thereof; 2) study or survey of compensation data for comparable positions in similarly sized entities; 3) annual or periodic performance evaluation; 4) independent compensation consultant; and/or 5) written employment contract. Attach a narrative of your Authority's procedures for all individuals listed on Page N-4 (2 of 2).

AUTHORITY INFORMATIONAL QUESTIONNAIRE (CONTINUED)

Musconetcong Sewerage Authority

FISCAL YEAR: January 01, 2023 to December 31, 2023

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

11. Did the Authority pay for travel expenses for any employee of individual listed on Page N-4? No
If "yes", provide a detailed list of all travel expenses for the current fiscal year and provide an explanation for each expenditure listed.

12. 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", provide a description of the transaction including the name and position of the individual and the amount expended.

13. Did the Authority follow a written policy regarding payment or reimbursement for expenses incurred by employees and/or commissioners during the course of Authority business and does that policy require substantiation of expenses through receipts or invoices prior to reimbursement? Yes
If "no", attach an explanation of the Authority's process for reimbursing employees and commissioners for expenses. (If your authority does not allow for reimbursements, indicate that in answer).

14. Did the Authority make any payments to current or former commissioners or employees for severance or termination? No
If "yes", provide explanation, including amount paid.

15. Did the Authority make 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", provide explanation including amount paid.

16. 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", provide 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.

**AUTHORITY INFORMATIONAL QUESTIONNAIRE
(CONTINUED)**

Musconetcong Sewerage Authority

FISCAL YEAR: January 01, 2023 to December 31, 2023

17. 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.)?

If "yes", provide description of the event or condition that resulted in the fine/assessment and indicate the amount of the fine/assessment.

**AUTHORITY INFORMATIONAL QUESTIONNAIRE
(CONTINUED)**

Musconetcong Sewerage Authority

FISCAL YEAR: January 01, 2023 to December 31, 2023
Use the space below to provide clarification for any Questionnaire responses.

[Empty space for providing clarification for any Questionnaire responses.]

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

Musconetcong Sewerage Authority

FISCAL YEAR: January 01, 2023 to December 31, 2023

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 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.
- 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 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 during the most recent fiscal year completed.

Commissioner: A member of the governing body of the authority with voting rights. Include alternates for the 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 officer as officers, if applicable. 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

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

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

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

Reportable Compensation (Use the most recent W-2 available): The aggregate compensation that is reported (or 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.

Musconitecong Sewerage Authority

For the Period January 01, 2023 to December 31, 2023

Name	Title	Average Hours per Week Dedicated to Position	Position	Reportable Compensation from Authority (W-2/ 1099)						Estimated amount of other compensation from the Authority (health benefits, pension, etc.)	Total Compensation from Authority						
				Commissioner	Officer	Key Employee	Highest Compensated	Former	Other (auto allowance, expense account, payment in lieu of health benefits, etc.)			Base Salary/ Stipend	Bonus				
1 Steve Rattner	Chairman	2 X								\$	\$						
2 John Sylvester	Vice Chairman	2 X								\$	\$						
3 Joseph Schwab	Secretary/ Treasurer	2 X								\$	\$						
4 Thomas Romano	Asst. Secretary	2 X								\$	\$						
5 Brian McNeilly	Commissioner	2 X								\$	\$						
6 Jim Benson	Commissioner	2 X								\$	\$						
7 Elmer Still	Commissioner	2 X								\$	\$						
8 Mike Grogan	Commissioner	2 X								\$	\$						
9 Richard Schindelar	Commissioner	2 X								\$	\$						
10 Michael Pucilowski	Commissioner	2 X								\$	\$						
11 Melanie Michetti	Commissioner	2 X								\$	\$						
12 Andrew Cangiano	Commissioner	2 X								\$	\$						
13 James Schilling	Executive Director	45			X					\$	\$	28,934.00	144,668.00				
14																	
15																	
16																	
17																	
18																	
19																	
20																	
21																	
22																	
23																	
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26																	
27																	
28																	
29																	
30																	
31																	
32																	
33																	
34																	
35																	
Total:										\$	113,734.00	\$	2,000.00	\$	28,934.00	\$	144,668.00

Schedule of Health Benefits - Detailed Cost Analysis

Musconetcong Sewerage Authority

For the Period: January 01, 2023 to December 31, 2023

If no health benefits, check this box:

	# of Covered Members (Medical & Rx)		Annual Cost Estimate per Employee		Total Cost Estimate		# of Covered Members (Medical & Rx) Current Year		Annual Cost per Employee Current Year		Total Current Year Cost	\$ Increase (Decrease)	% Increase (Decrease)
	Proposed Budget	Proposed Budget	Proposed Budget	Proposed Budget	Proposed Budget	Proposed Budget	Current Year	Current Year	Year	Year			
Active Employees - Health Benefits - Annual Cost													
Single Coverage	1	11,725.00	-	-	11,725.00	-	1	10,732.00	10,732.00	993.00	9.3%		
Parent & Child													
Employee & Spouse (or Partner)	4	23,451.00	93,804.00	-	93,804.00	-	4	21,007.00	84,028.00	9,776.00	11.6%		
Family	4	32,714.00	130,856.00	-	130,856.00	-	4	29,943.00	119,772.00	11,084.00	9.3%		
Employee Cost Sharing Contribution (enter as negative -)			(39,815.00)	-	(39,815.00)	-			(36,195.00)	(3,620.00)	10.0%		
Subtotal	9	11,725.00	196,570.00	-	196,570.00	-	9	178,337.00	178,337.00	18,233.00	10.2%		
Commissioners - Health Benefits - Annual Cost													
Single Coverage													
Parent & Child													
Employee & Spouse (or Partner)													
Family													
Employee Cost Sharing Contribution (enter as negative -)													
Subtotal													
Retirees - Health Benefits - Annual Cost													
Single Coverage													
Parent & Child													
Employee & Spouse (or Partner)													
Family													
Employee Cost Sharing Contribution (enter as negative -)													
Subtotal													
GRAND TOTAL	9	196,570.00	196,570.00	-	196,570.00	-	9	178,337.00	178,337.00	18,233.00	10.2%		

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

**2023 AUTHORITY BUDGET
FINANCIAL SCHEDULES SECTION**

SUMMARY

Musconetcong Sewerage Authority
For the Period: January 01, 2023 to December 31, 2023

	FY 2023 Proposed Budget					FY 2022 Adopted Budget		\$ Increase (Decrease) Proposed vs. Adopted	% Increase (Decrease) Proposed vs. Adopted
	Sewer	N/A	N/A	N/A	N/A	Total All Operations	Total All Operations		
REVENUES									
Total Operating Revenues	\$ 4,480,000	\$ -	\$ -	\$ -	\$ -	\$ 4,480,000	\$ 4,537,000	\$ (57,000)	-1.3%
Total Non-Operating Revenues	-	-	-	-	-	-	-	-	#DIV/0!
Total Anticipated Revenues	4,480,000	-	-	-	4,480,000	4,537,000	(57,000)	-1.3%	
APPROPRIATIONS									
Total Administration	321,750	-	-	-	321,750	309,473	12,277	4.0%	
Total Cost of Providing Services	3,571,620	-	-	-	3,571,620	3,212,625	358,995	11.2%	
Total Principal Payments on Debt Service in Lieu of Depreciation	251,825	-	-	-	251,825	686,388	(434,563)	-63.3%	
Total Operating Appropriations	4,145,195	-	-	-	4,145,195	4,208,486	(63,291)	-1.5%	
Total Interest Payments on Debt	54,694	-	-	-	54,694	38,335	16,359	42.7%	
Total Other Non-Operating Appropriations	400,000	-	-	-	400,000	400,000	-	-	
Total Non-Operating Appropriations	454,694	-	-	-	454,694	438,335	16,359	3.7%	
Accumulated Deficit	-	-	-	-	-	-	-	-	#DIV/0!
Total Appropriations and Accumulated Deficit	4,599,889	-	-	-	4,599,889	4,646,821	(46,932)	-1.0%	
Less: Total Unrestricted Net Position Utilized	119,889	-	-	-	119,889	109,821	10,068	9.2%	
Net Total Appropriations	4,480,000	-	-	-	4,480,000	4,537,000	(57,000)	-1.3%	
ANTICIPATED SURPLUS (DEFICIT)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	#DIV/0!

Appropriations Schedule

Musconetcong Sewerage Authority
For the Period: January 01, 2023 to December 31, 2023

	FY 2023 Proposed Budget						FY 2022 Adopted Budget			\$ Increase (Decrease)	% Increase (Decrease)
	Sewer	N/A	N/A	N/A	N/A	N/A	Total All Operations	Total All Operations	All Operations	All Operations	All Operations
OPERATING APPROPRIATIONS											
<i>Administration - Personnel</i>											
Salary & Wages	\$ 180,000						\$ 180,000	\$ 171,640	\$ 8,360		4.9%
Fringe Benefits	101,750						101,750	97,833	3,917		4.0%
Total Administration - Personnel	281,750						281,750	269,473	12,277		4.6%
<i>Administration - Other (List)</i>											
Other Expenses	40,000						40,000	40,000	-		0.0%
Miscellaneous Administration*											#DIV/0!
Total Administration - Other	40,000						40,000	40,000	-		0.0%
Total Administration	321,750						321,750	309,473	12,277		4.0%
<i>Cost of Providing Services - Personnel</i>											
Salary & Wages	668,000						668,000	668,000	-		0.0%
Fringe Benefits	305,250						305,250	290,625	14,625		5.0%
Total COPS - Personnel	973,250						973,250	958,625	14,625		1.5%
<i>Cost of Providing Services - Other (List)</i>											
Maintenance, Repairs & Equipment	270,000						270,000	274,000	(4,000)		-1.5%
Sludge Disposal	1,095,370						1,095,370	810,000	285,370		35.2%
Utilities	545,000						545,000	515,000	30,000		5.8%
Plant Supplies, Fees, Prof. Services	663,000						663,000	630,000	33,000		5.2%
Miscellaneous COPS*	25,000						25,000	25,000	-		0.0%
Total COPS - Other	2,598,370						2,598,370	2,254,000	344,370		15.3%
Total Cost of Providing Services	3,571,620						3,571,620	3,212,625	358,995		11.2%
Total Principal Payments on Debt Service in Lieu of Depreciation	251,825						251,825	686,388	(434,563)		-63.3%
Total Operating Appropriations	4,145,195						4,145,195	4,208,486	(63,291)		-1.5%
NON-OPERATING APPROPRIATIONS											
Total Interest Payments on Debt	54,694						54,694	38,335	16,359		42.7%
Operations & Maintenance Reserve											#DIV/0!
Renewal & Replacement Reserve	200,000						200,000	200,000	-		0.0%
Municipality/County Appropriation											#DIV/0!
Other Reserves	200,000						200,000	200,000	-		0.0%
Total Non-Operating Appropriations	454,694						454,694	438,335	16,359		3.7%
TOTAL APPROPRIATIONS	4,599,889						4,599,889	4,646,821	(46,932)		-1.0%
ACCUMULATED DEFICIT											#DIV/0!
TOTAL APPROPRIATIONS & ACCUMULATED DEFICIT	4,599,889						4,599,889	4,646,821	(46,932)		-1.0%
UNRESTRICTED NET POSITION UTILIZED											
Municipality/County Appropriation											#DIV/0!
Other	119,889						119,889	109,821	10,068		9.2%
Total Unrestricted Net Position Utilized	119,889						119,889	109,821	10,068		9.2%
TOTAL NET APPROPRIATIONS	\$ 4,480,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,480,000	\$ 4,537,000	\$ (57,000)		-1.3%

* 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 \$ 207,259.75 \$ - \$ - \$ - \$ - \$ - \$ - \$ 207,259.75

Prior Year Adopted Appropriations Schedule

Musconetcong Sewerage Authority

FY 2022 Adopted Budget

	Sewer	N/A	N/A	N/A	N/A	N/A	Total All Operations
OPERATING APPROPRIATIONS							
<i>Administration - Personnel</i>							
Salary & Wages	\$ 171,640						\$ 171,640
Fringe Benefits	97,833						97,833
Total Administration - Personnel	269,473	-	-	-	-	-	269,473
<i>Administration - Other (List)</i>							
Other Expenses	40,000						40,000
Miscellaneous Administration*							
Total Administration - Other	40,000	-	-	-	-	-	40,000
Total Administration	309,473	-	-	-	-	-	309,473
<i>Cost of Providing Services - Personnel</i>							
Salary & Wages	668,000						668,000
Fringe Benefits	290,625						290,625
Total COPS - Personnel	958,625	-	-	-	-	-	958,625
<i>Cost of Providing Services - Other (List)</i>							
Maintenance, Repairs & Equipment	274,000						274,000
Sludge Disposal	810,000						810,000
Utilities	515,000						515,000
Plant Supplies, Fees, Prof. Services	630,000						630,000
Miscellaneous COPS*	25,000						25,000
Total COPS - Other	2,254,000	-	-	-	-	-	2,254,000
Total Cost of Providing Services	3,212,625	-	-	-	-	-	3,212,625
Total Principal Payments on Debt Service in Lieu of Depreciation	686,388	-	-	-	-	-	686,388
Total Operating Appropriations	4,208,486	-	-	-	-	-	4,208,486
NON-OPERATING APPROPRIATIONS							
Total Interest Payments on Debt	38,335	-	-	-	-	-	38,335
Operations & Maintenance Reserve							-
Renewal & Replacement Reserve	200,000						200,000
Municipality/County Appropriation							-
Other Reserves	200,000						200,000
Total Non-Operating Appropriations	438,335	-	-	-	-	-	438,335
TOTAL APPROPRIATIONS	4,646,821	-	-	-	-	-	4,646,821
ACCUMULATED DEFICIT							-
TOTAL APPROPRIATIONS & ACCUMULATED DEFICIT	4,646,821	-	-	-	-	-	4,646,821
UNRESTRICTED NET POSITION UTILIZED							
Municipality/County Appropriation							-
Other	109,821						109,821
Total Unrestricted Net Position Utilized	109,821	-	-	-	-	-	109,821
TOTAL NET APPROPRIATIONS	\$ 4,537,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,537,000

* 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	\$ 210,424.30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 210,424.30
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Debt Service Schedule - Interest

Musconetcong Sewerage Authority

If Authority has no debt, check this box:

	2022 (Adopted Budget)	2023 (Proposed Budget)	2024	2025	2026	2027	2028	Thereafter	Total Interest Payments Outstanding
Sewer									
NJEIT Series 2002A	\$ 13,300								\$ -
NJEIT Series 2007	3,900								-
NJEIT Series 2010	21,135	19,085	17,035	14,785	12,535	10,035	7,560	7,695	88,730
NJEIT Series 2023		35,609	106,828	103,348	99,697	96,033	92,190	733,987	1,267,692
Total Interest Payments	38,335	54,694	123,863	118,133	112,232	106,068	99,750	741,682	1,356,422
N/A									
Total Interest Payments	-	-	-	-	-	-	-	-	-
N/A									
Total Interest Payments	-	-	-	-	-	-	-	-	-
N/A									
Total Interest Payments	-	-	-	-	-	-	-	-	-
N/A									
Total Interest Payments	-	-	-	-	-	-	-	-	-
N/A									
Total Interest Payments	-	-	-	-	-	-	-	-	-
TOTAL INTEREST ALL OPERATIONS	\$ 38,335	\$ 54,694	\$ 123,863	\$ 118,133	\$ 112,232	\$ 106,068	\$ 99,750	\$ 741,682	\$ 1,356,422

Net Position Reconciliation

Musconetcong Sewerage Authority

For the Period: January 01, 2023 to December 31, 2023

FY 2023 Proposed Budget

	Sewer	N/A	N/A	N/A	N/A	N/A	Operations	Total All
TOTAL NET POSITION BEGINNING OF LATEST AUDIT REPORT YEAR(1)	\$ 20,577,866						\$ 20,577,866	
Less: Invested in Capital Assets, Net of Related Debt (1)	19,863,526						19,863,526	
Less: Restricted for Debt Service Reserve (1)	19,934						19,934	
Less: Other Restricted Net Position (1)								
Total Unrestricted Net Position (1)	694,406						694,406	
Less: Designated for Non-Operating Improvements & Repairs								
Less: Designated for Rate Stabilization								
Less: Other Designated by Resolution								
Plus: Accrued Unfunded Pension Liability (1)	1,711,251						1,711,251	
Plus: Accrued Unfunded Other Post-Employment Benefit Liability (1)	1,748,719						1,748,719	
Plus: Estimated Income (Loss) on Current Year Operations (2)								
Plus: Other Adjustments (attach schedule)								
UNRESTRICTED NET POSITION AVAILABLE FOR USE IN PROPOSED BUDGET	731,874						731,874	
Unrestricted Net Position Utilized to Balance Proposed Budget	119,889						119,889	
Unrestricted Net Position Utilized in Proposed Capital Budget	300,000						300,000	
Appropriation to Municipality/County (3)								
Total Unrestricted Net Position Utilized in Proposed Budget	419,889						419,889	
PROJECTED UNRESTRICTED UNDESIGNATED NET POSITION AT END OF YEAR								
Last issued Audit Report (4)	\$ 311,985	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 311,985	

(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 \$ 207,260 \$ - \$ - \$ - \$ - \$ - \$ 207,260

(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.

2023

Musconetcong Sewerage Authority

(Authority Name)

2023 AUTHORITY CAPITAL BUDGET/PROGRAM

2023 CERTIFICATION OF AUTHORITY CAPITAL BUDGET / PROGRAM

Musconetcong Sewerage Authority

(Authority Name)

Fiscal Year: January 01, 2023 to December 31, 2023

Check the box for the applicable statement below:

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, of governing body of the Musconetcong Sewerage Authority, on October 27, 2022.

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

Officer's Signature:	jschwab@Morristwp.com
Name:	Joseph Schwab
Title:	Secretary/ Treasurer
Address:	110 Continental Drive Budd Lake, NJ 07828
Phone Number:	973-347-1525
Fax Number:	973-347-8356
E-mail Address:	jschwab@Morristwp.com

2023 CAPITAL BUDGET/PROGRAM MESSAGE

Musconetcong Sewerage Authority

Fiscal Year: January 01, 2023 to December 31, 2023

Answer all questions below using the space provided.

1. Has each municipality or county affected by the actions of the authority participated in the development of the capital plan and reviewed or approved the plans or projects included within the Capital Budget/Program (this may include the governing body or certain officials, such as planning boards, Construction Code Officials) as to these projects?

Yes

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

Yes

Yes

Yes

3. Has a long-term (5 years or more) infrastructure needs and other capital items (Vehicles, Equipment) needs assessment been prepared?

Yes

4. If amounts are on Page CB-3 in the column Debt Authorizations, indicate the primary source of funding the debt service for the Debt Authorizations (example - rate increase).

The proposed capital projects will have minimal impact on the service charges to the participants as these projects will be funded or offset by Authority reserves.

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.

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.

None.

Proposed Capital Budget

Musconetcong Sewerage Authority
For the Period: January 01, 2023 to December 31, 2023

	Estimated Total Cost	<i>Funding Sources</i>				
		Unrestricted Net Position Utilized	Renewal & Replacement Reserve	Debt Authorization	Capital Grants	Other Sources
<i>Sewer</i>						
See attached	\$ 2,760,000	\$ 300,000	\$ 135,000	\$ 2,325,000		
Total	2,760,000	300,000	135,000	2,325,000	-	-
<i>N/A</i>						
	-					
Total	-	-	-	-	-	-
<i>N/A</i>						
	-					
Total	-	-	-	-	-	-
<i>N/A</i>						
	-					
Total	-	-	-	-	-	-
<i>N/A</i>						
	-					
Total	-	-	-	-	-	-
<i>N/A</i>						
	-					
Total	-	-	-	-	-	-
TOTAL PROPOSED CAPITAL BUDGET	\$ 2,760,000	\$ 300,000	\$ 135,000	\$ 2,325,000	\$ -	\$ -

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

Musconetcong Sewerage Authority
For the Period: January 01, 2023 to December 31, 2023

Fiscal Year Beginning in

	Estimated Total Cost	Current Budget					
		Year 2023	2024	2025	2026	2027	2028
<i>Sewer</i>							
See attached	\$ 7,010,000	\$ 2,760,000	\$ 250,000	\$ 250,000	\$ 1,250,000	\$ 1,250,000	\$ 1,250,000
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Total	7,010,000	2,760,000	250,000	250,000	1,250,000	1,250,000	1,250,000
<i>N/A</i>							
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-
<i>N/A</i>							
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-
<i>N/A</i>							
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-
<i>N/A</i>							
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-
TOTAL	\$ 7,010,000	\$ 2,760,000	\$ 250,000	\$ 250,000	\$ 1,250,000	\$ 1,250,000	\$ 1,250,000

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

Musconetcong Sewerage Authority
For the Period: January 01, 2023 to December 31, 2023

	Estimated Total Cost	<i>Funding Sources</i>				
		Unrestricted Net Position Utilized	Renewal & Replacement Reserve	Debt Authorization	Capital Grants	Other Sources
<i>Sewer</i>						
See attached	\$ 7,010,000	\$ 550,000	\$ 1,135,000	\$ 5,325,000		
	-					
	-					
Total	7,010,000	550,000	1,135,000	5,325,000	-	-
<i>N/A</i>						
	-					
	-					
	-					
Total	-	-	-	-	-	-
<i>N/A</i>						
	-					
	-					
	-					
Total	-	-	-	-	-	-
<i>N/A</i>						
	-					
	-					
	-					
Total	-	-	-	-	-	-
<i>N/A</i>						
	-					
	-					
	-					
Total	-	-	-	-	-	-
TOTAL	<u>\$ 7,010,000</u>	<u>\$ 550,000</u>	<u>\$ 1,135,000</u>	<u>\$ 5,325,000</u>	<u>\$ -</u>	<u>\$ -</u>
Total 5 Year Plan per CB-4	<u>\$ 7,010,000</u>					
Balance check		- If amount is other than zero, verify that projects listed above match projects listed on CB-4.				

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