

YEAR 2023/2024 BUDGET

The Brick Township Municipal Utilities Authority operates on a fiscal year basis from April 1st through the following March 31st. The BTMUA adopts a detailed Operating and Capital Budget each year to assure financial control, and as a guideline to measure monthly financial performance. As the Budget Summary indicates, the BTMUA has a \$39.2 million balanced budget for the 2023/2024 fiscal year. The graphic illustrations depict further detail for budgeted operations.

Income Sources

As the two largest portions of the graph indicate, approximately 64% (\$25.1 million) of revenues are from our 31,000 plus residential single family customers. Other customer classes (commercial, multi family, lawn, school, etc.) contribute \$8.7 million additional income. The light green segment indicates our anticipated bulk revenues of \$1.3 million from Point Pleasant Beach, Point Pleasant Borough.

Estimated Expenditures

Our \$39.1 million in anticipated income sourcing will be utilized in three generalized expense categories. Approximately \$32.7 million, or 84% of our expenditures will be for our operating expenses as shown on the related graph. \$5.9 million is for debt service, (paying principal and interest on borrowed funds) and will fund \$0.5 million for our OPEB and Pension liabilities.

Operating Expenses

As can be seen on the graph, sewerage treatment, salaries, and benefits comprise 80% of the operating budget. More specifically, approximately \$7.9 million will be paid for sewerage treatment this fiscal year, and \$18.2 million for personnel services and benefits. \$5.0 million are budgeted for normal operations such as chemicals, repairs and maintenance, supplies, professional fees, vehicle maintenance costs, etc. We also estimate about \$1.6 million for utility expenses.

Capital Budget

Anticipated capital payments for the 2023/2024 budget are approximately \$23.6 million. Capital spending is dependent upon Grant funding, NJ I-Bank Potential, and Internal Funds/Series 2016/Series 2020. As the capital graph indicates, primary projects include approximately \$1.7 million for various Water Main Replacement projects, \$2.7 million various Sewer Main Replacement projects, \$2.0 million for Water Tank Rehabilitation, \$3.0 million Cohansey Replacement Wells, and \$6.0 million for WQAA Reservoir Improvements.

**BRICK TOWNSHIP MUNICIPAL UTILITIES AUTHORITY
COMPARISON OF BUDGET YEARS
FISCAL 2022 / 2023 BUDGET VERSUS FISCAL 2023 / 2024**

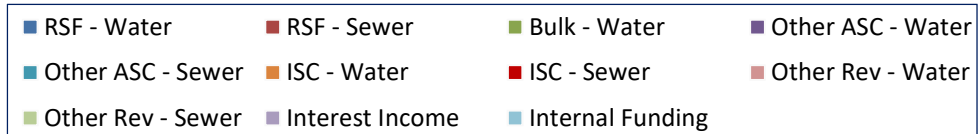
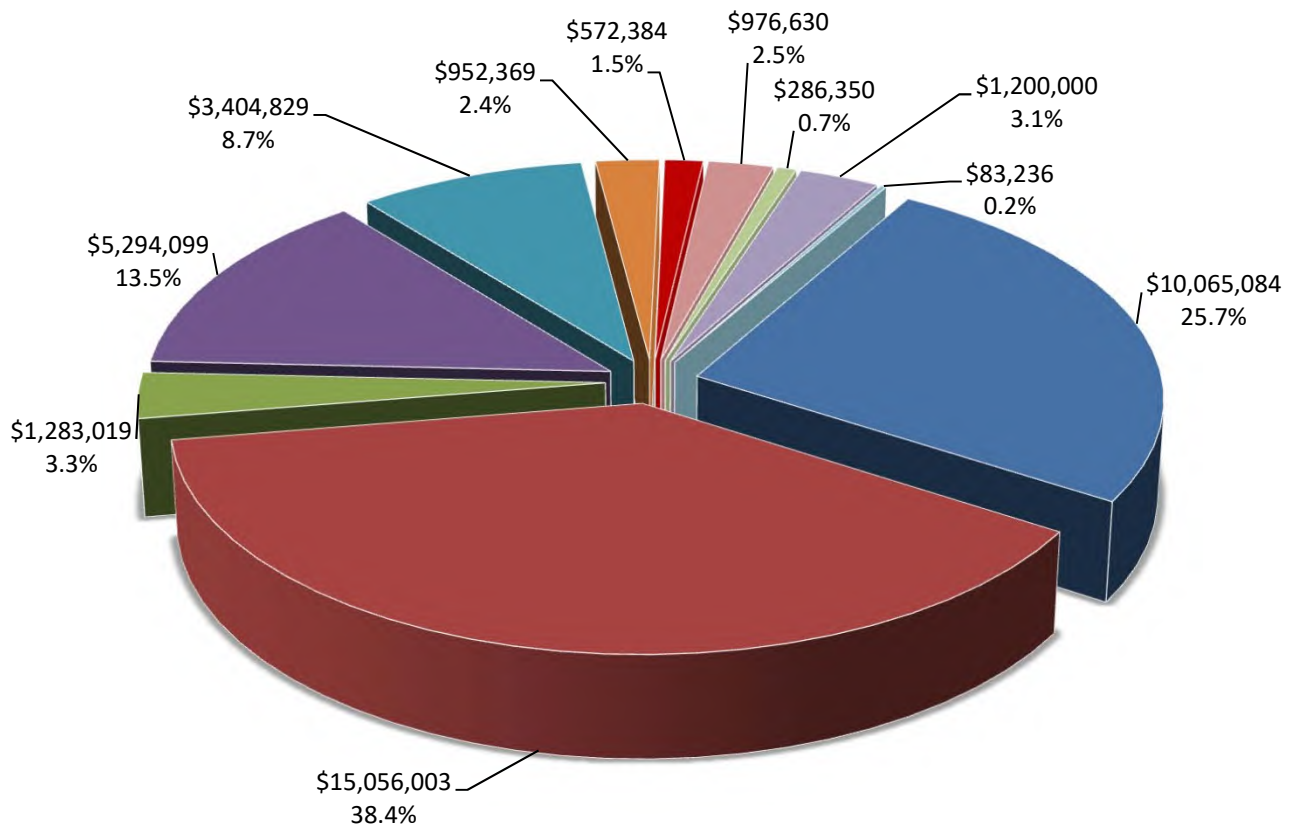
Estimated Expenditures:

| | 2022 / 2023 Budget | 2023 / 2024 Budget | Variance | Pct. |
|---|---------------------|---------------------|--------------------|--------|
| Debt Service | \$5,183,839 | \$5,123,530 | (\$60,309) | -1.2% |
| Estimated Newly Completed I-Bank Projects (1) | 246,764 | 816,748 | 569,984 | 231.0% |
| Total Debt Service | 5,430,603 | 5,940,278 | 509,675 | |
| Funding - OPEB & Pension Reserve | 500,000 | 500,000 | 0 | 0.0% |
| Operating Expenses: | | | | |
| Sewer Treatment | 7,727,150 | 7,858,000 | 130,850 | 1.7% |
| Payroll and Fringes | 18,129,092 | 18,209,193 | 80,101 | 0.4% |
| Other Operating | 6,101,582 | 6,666,532 | 564,950 | 9.3% |
| Total Operating Expenses | 31,957,824 | 32,733,725 | 775,901 | 2.4% |
| Total Expenditures | \$37,888,427 | \$39,174,003 | \$1,285,576 | 3.4% |
| Estimated Income: | | | | |
| Withdrawal - Internal Funding | \$145,532 | \$83,236 | (\$62,296) | -42.8% |
| Annual Service Charges - Water | \$16,511,317 | \$16,642,202 | 130,885 | 0.8% |
| Rate Adjustment in 2023 / 2024 (2) | 0 | 0 | 0 | |
| Annual Service Charges - Sewer | 18,001,489 | 18,460,832 | 459,343 | 2.6% |
| Rate Adjustment in 2023 / 2024 (2) | 0 | 0 | 0 | |
| Total Annual Service Charges | 34,512,806 | 35,103,034 | 590,228 | 1.7% |
| Initial Service Charges-Water | 1,037,952 | 952,369 | (85,583) | -8.2% |
| Initial Service Charges-Sewer | 588,857 | 572,384 | (16,473) | -2.8% |
| Total Initial Service Charges | 1,626,809 | 1,524,753 | (102,056) | -6.3% |
| Review & Inspection Fees | 30,000 | 30,000 | 0 | 0.0% |
| Tap-Ins, Permits, Meter, Lab, & Other Fees | 603,430 | 605,630 | 2,200 | 0.4% |
| Interest Delinquent Pmts | 160,000 | 160,000 | 0 | 0.0% |
| Misc. Income - Cellular, GIS | 459,850 | 467,350 | 7,500 | 1.6% |
| Interest on Investments | 350,000 | 1,200,000 | 850,000 | 242.9% |
| Total Income | \$37,888,427 | \$39,174,003 | \$1,285,576 | 3.4% |
| Excess (Deficit) of Rev. over (under) Exp. | \$0 | \$0 | \$0 | |

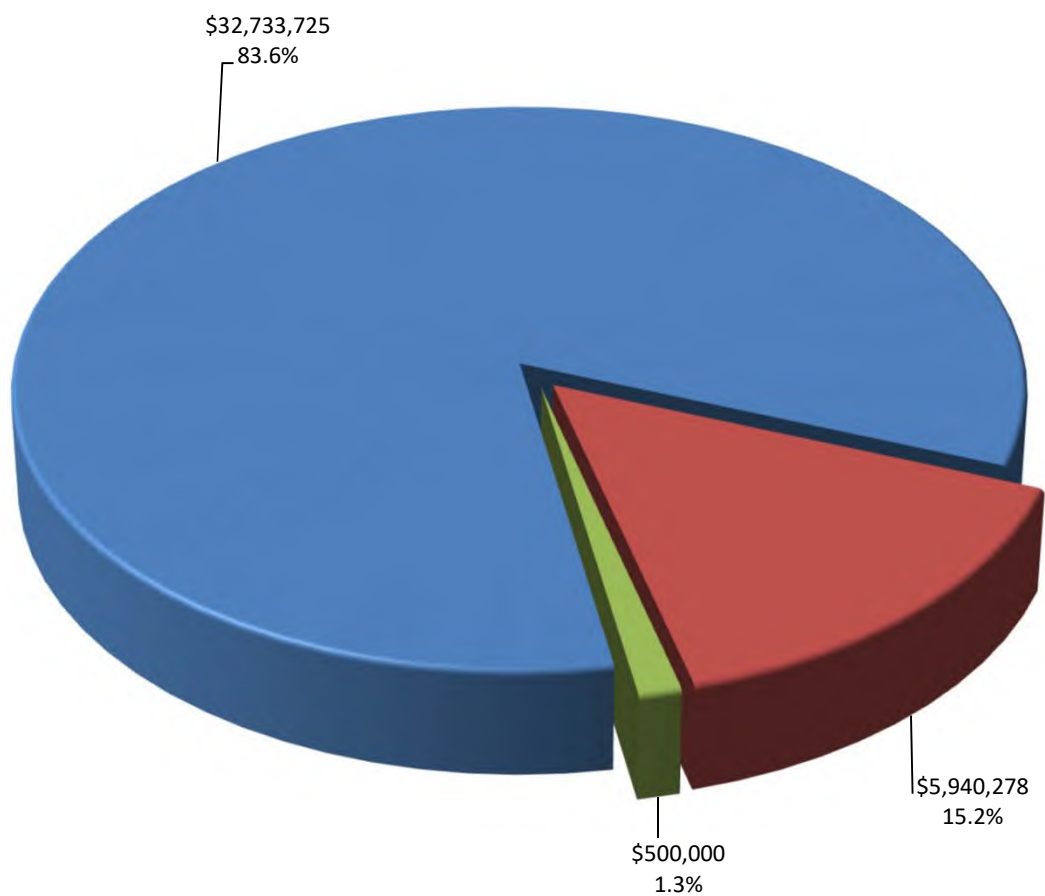
(1) Estimated new borrowing for GAC & Cedarwood Park required to be included as part of Debt Service for fiscal 2023/2024

(2) There is no Service Charge Rate Adjustment anticipated in fiscal 2023/2024

Brick Township MUA
2023/2024 Budget - Income Sources
Total = \$39,174,003

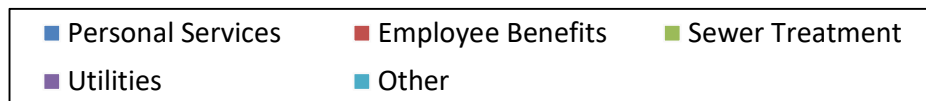
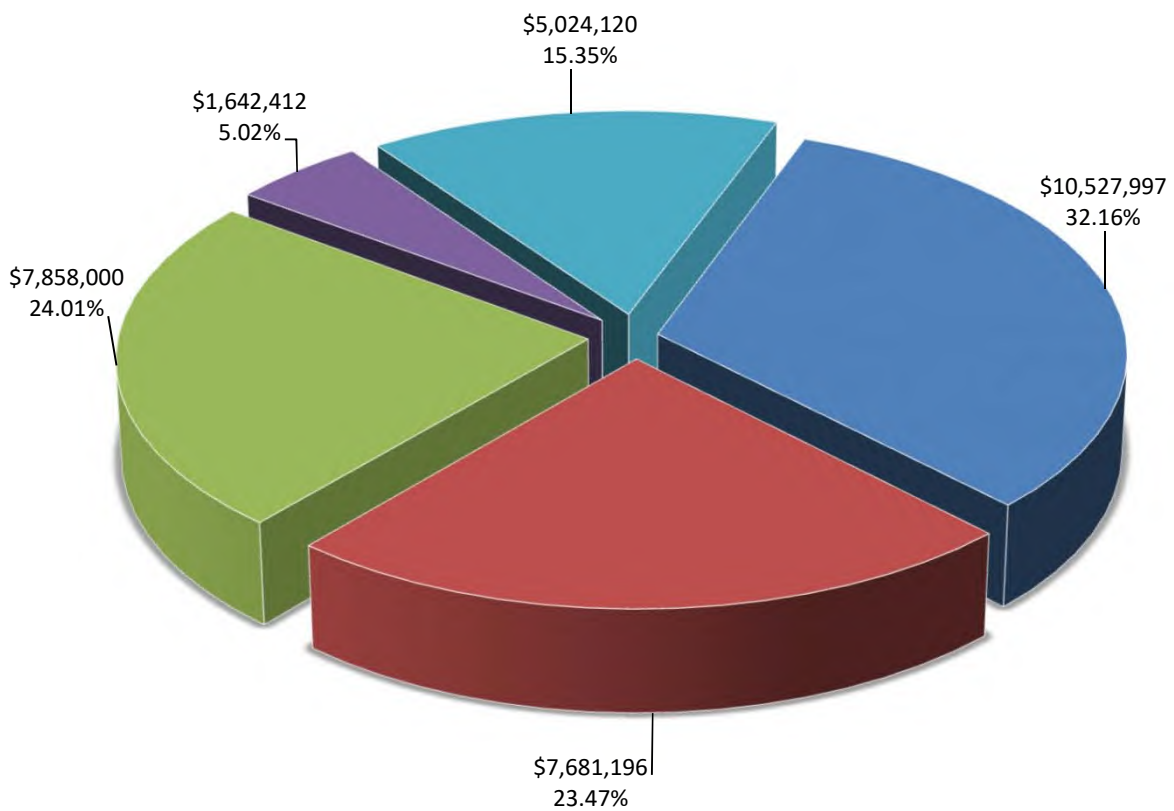


Brick Township MUA
2023/2024 Budget - Estimated Expenditures
Total = \$39,174,003

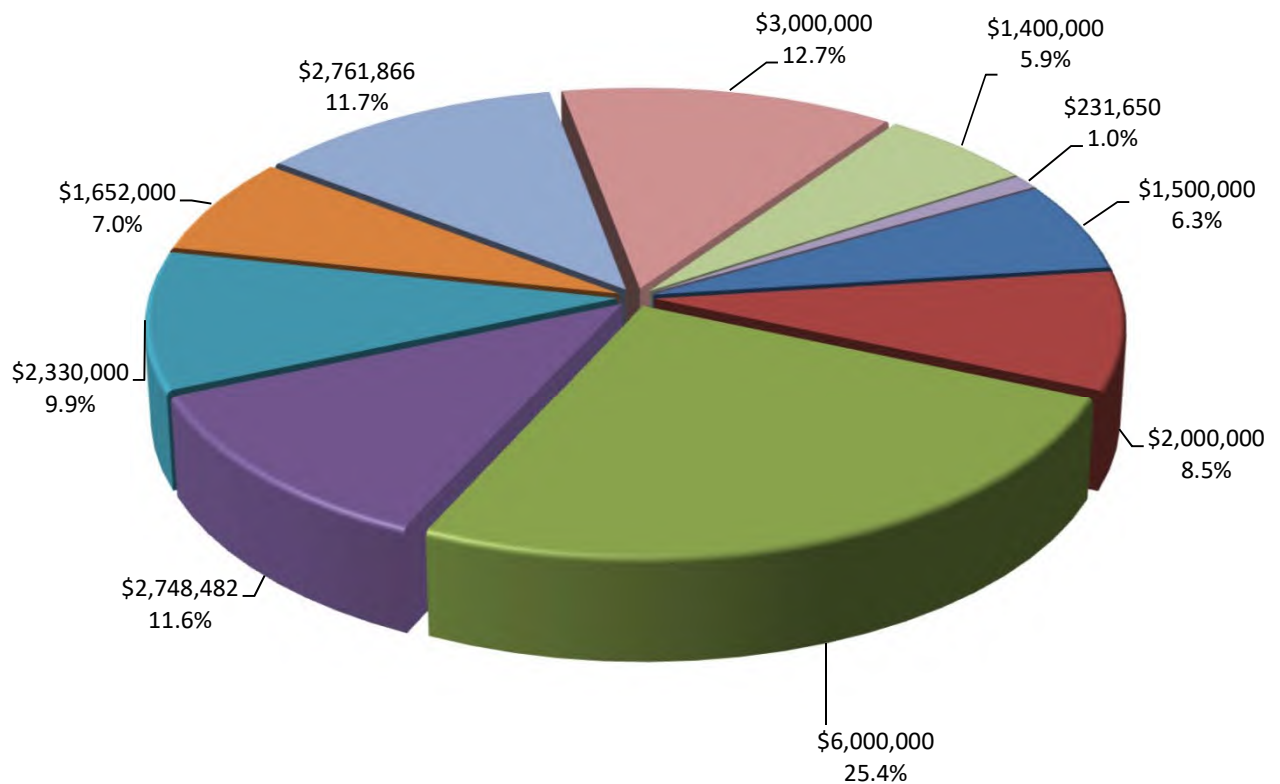


■ Operating Expenses ■ Debt Service ■ OPEB & Pension Reserve

**Brick Township MUA
2023/2024 Budget - Operating Expenses
Total = \$32,733,725**

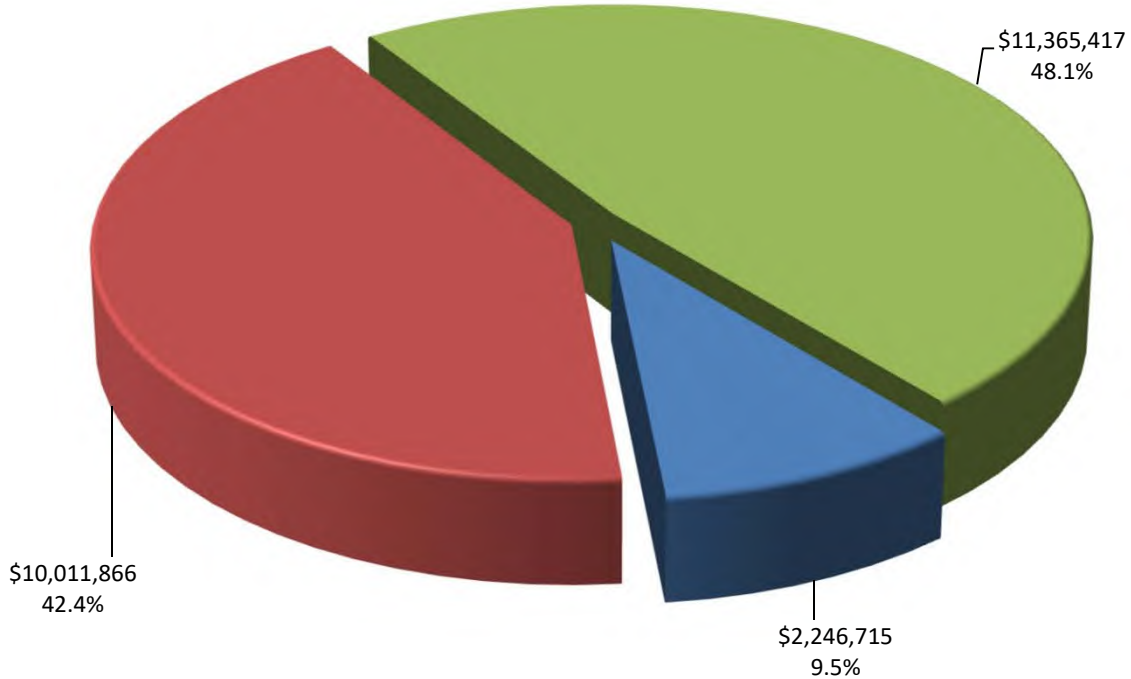


**Brick Township MUA
2023/2024 Capital Budget
Segmented by Project - Total \$23,623,998**



| | |
|---------------------------------|------------------------------|
| ■ WTP GAC | ■ Water Tank Rehabilitation |
| ■ WQAA Reservoir Improvements | ■ WTP/W.Q. Projects |
| ■ Engineering/Field Ops - Other | ■ Water Main Replacement |
| ■ Sewer Main Replacement | ■ Cohansey Replacement Wells |
| ■ Transportation | ■ Compliance & Technology |

**Brick Township MUA
2023/2024 Capital Budget
Sources of Capital Funding - Total \$23,623,998**



■ Grant/FEMA Funding ■ NJ I-Bank Potential
■ Internal Funds/Construction Bonds