

**2026 AUTHORITY BUDGET
CERTIFICATION SECTION**

2026

South Monmouth Regional Sewerage Authority

AUTHORITY BUDGET

FISCAL YEAR: January 01, 2026 to December 31, 2026

For Division Use Only

CERTIFICATION OF APPROVED BUDGET

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

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

By: _____ Date: 11/24/2025

CERTIFICATION OF ADOPTED BUDGET

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

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

By: _____ Date: _____

2026 PREPARER'S CERTIFICATION

South Monmouth Regional Sewerage Authority

AUTHORITY BUDGET

FISCAL YEAR: January 01, 2026 to December 31, 2026

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:	Koliver@smrsa.org
Name:	Karen Oliver
Title:	Chief Financial Officer & Director of Human
Address:	1235 18th Avenue Belmar, NJ 07719
Phone Number:	732 681-0611
Fax Number:	N/A
E-mail Address:	Koliver@smrsa.org

AUTHORITY INTERNET WEBSITE CERTIFICATION

Authority's Web Address:

www.smrsa.org

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

- A description of the Authority's mission and responsibilities.
- The budgets for the current fiscal year and immediately preceding two prior years.
- The most recent Annual Comprehensive 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:

Ryan Krause

Title of Officer Certifying Compliance:

Executive Director

Signature:

Rkrause@smrsa.org

2026 APPROVAL CERTIFICATION

South Monmouth Regional Sewerage Authority

AUTHORITY BUDGET

FISCAL YEAR: January 01, 2026 to December 31, 2026

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 South Monmouth Regional Sewerage Authority, at an open public meeting held pursuant to N.J.A.C. 5:31-2.3, on October 8, 2025.

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:	Rkrause @smrsa.org
Name:	Ryan Krause
Title:	Executive Director
Address:	1235 18th Avenue Belmar, NJ 07719
Phone Number:	732 681-0611
Fax Number:	N/A
E-mail Address:	Rkrause @smrsa.org

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2026 ADOPTION CERTIFICATION

South Monmouth Regional Sewerage Authority

AUTHORITY BUDGET

FISCAL YEAR: January 01, 2026 to December 31, 2026

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 South Monmouth Regional Sewerage Authority, pursuant to N.J.A.C 5:31-2.3, on December 10, 2025.

Officer's Signature:			
Name:	Ryan Krause		
Title:	Executive Director		
Address:	1235 18th Avenue Belmar, NJ 07719		
Phone Number:	732 681-0611	Fax:	N/A
E-mail address:	Rkrause@smrsa.org		

2026 ADOPTED BUDGET RESOLUTION

South Monmouth Regional Sewerage Authority

FISCAL YEAR: January 01, 2026 to December 31, 2026

WHEREAS, the Annual Budget and Capital Budget/Program for the South Monmouth Regional Sewerage Authority for the fiscal year beginning January 01, 2026 and ending December 31, 2026 has been presented for adoption before the governing body of the South Monmouth Regional Sewerage Authority at its open public meeting of December 10, 2025; 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 \$9,303,817.00, Total Appropriations, including any Accumulated Deficit, if any, of \$9,303,817.00, and Total Unrestricted Net Position utilized of \$0.00; and

WHEREAS, the Capital Budget as presented for adoption reflect Total Capital Appropriations of \$7,699,350.00 and Total Unrestricted Net Position Utilized of \$0.00; and

NOW, THEREFORE BE IT RESOLVED, by the governing body of the South Monmouth Regional Sewerage Authority at an open public meeting held on December 10, 2025 that the Annual Budget and Capital Budget/Program of the South Monmouth Regional Sewerage Authority for the fiscal year beginning January 01, 2026 and ending December 31, 2026 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)

12/10/2025

(Date)

Governing Body Recorded Vote

Member	Aye	Nay	Abstain	Absent
E. Gene Cory				
Edward Donovan				
Kevin Lynch				
Michael Mattia				
Joseph C. May				
Michael Meixsell				
Paul Nolan				
Thomas Shields				

**2026 AUTHORITY BUDGET
NARRATIVE AND INFORMATION SECTION**

2026 AUTHORITY BUDGET MESSAGE & ANALYSIS

South Monmouth Regional Sewerage Authority

FISCAL YEAR: January 01, 2026 to December 31, 2026

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 2026 proposed Annual Budget and make comparison to the Fiscal Year 2025 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.

Total income for 2026 is anticipated to increase by a modest 3% compared to the 2025 Adopted Budget. This represents the user base absorbing the entire cost of providing service and eliminates the reliance on connection fees, interest and ancillary income. The Authority does not budget for ancillary income through the adopted budget process.

Administration fringe increased by 18% and COP Personnel fringe increased by 20% due to increase in State Health Benefits Insurance Premiums. Administrative Cost increase by 12% due to two long term borrowings closing through the NJIB in 2026. Slight decrease from 2025 to 2026 in Plant Operations by 5% and System Operations by 10% due operation efficiencies and more work being done inhouse by staff. Slight decrease in debt interest as the 2011 MCIA Loan will be maturing in 2031.

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

Monmouth County continues to experience robust growth. The Authority operates as a wholesale wastewater treatment facility, not a retail service provider. It is the Authority's position that the current local and regional economic conditions will have minimal to no impact on its operations or proposed 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 will not be using unrestricted net position in the proposed annual budget.

2026 AUTHORITY BUDGET MESSAGE & ANALYSIS

South Monmouth Regional Sewerage Authority

FISCAL YEAR: January 01, 2026 to December 31, 2026

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.)

In 2018 the Authority entered in a shared service agreemnt with Monmouth County for Truck Washing Services. In 2025 we have extended the contract to include other Municipal Maintenance Services. This arrangement is strictly free based, thereby reducing government expenses and taxpayer money.

In 2019 the Authority entered into a signed agreement with Passiac Valley Sewerage Commission (PVSC) to enter in the North Jersey Wastewater Cooperatie Pricing System an agreement for the purchase of industry specific work and materials. The arrangment is strictly to take advantage of discounts offered by vendors, that are not readily available to local entities, thereby reducing government expenses and saving taxpayer money.

The Authority continues to maintain inter-local agreements with Passiac Valley Sewerage Commission and Stoney Brook Regional SA for the disposal of sewer sludge. This arrangement is also fee based, thereby reducing government expenses and saving taxpayer money.

5. The proposed budget must not reflect an anticipated deficit from 2025 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.

Authority Management and its Finance Committee consistently discuss these pronoucements with its external auditor and investment advisors in an effort to gain a firm understanding on how these liabilities impact our independent credit rating and to explore various funding strategies. While the Authority recognizes there is no additional cash outlay other than the statutorily determined and required pension and post-retirement benefits other than pension. Beginning with the Adopted 2021 appropriation budget, it has included a provision for funding GASB 68 and GASB 75 liabilities. The Authority will continue to pay its annual required contribution to State Dvision of Pensions and will continue to monitor pension investments in anticipation that the unfunded liability will decrease or be eliminated. If or when the Authority is informed that it must pay its unfunded penion liability in full, it will then address how the liability will be funded and assess the impact on user rates thatit's Member Municipalities must pay. It would be best service the Authority and its Member Municipalities if the liabilty were gradually paid down over a period of five or ten years. As of this writing, the Authority does not anticipate a signficat rating change affecting its ability to borrow money as a result of the GASB Statement. Early in 2024 the Authoirty Bond Rating was increased from an Aa3 to Aa2 where it continues to stand.

(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?

2026 AUTHORITY BUDGET MESSAGE & ANALYSIS

South Monmouth Regional Sewerage Authority

FISCAL YEAR: January 01, 2026 to December 31, 2026

Answer the question below using the space provided.

6. Attach in FAST 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**".

As per the 1975 Service Agreements with each municipality, the rate structure is established in an amount at least sufficient so that all the collections in the aggregate by the Authority will provide for operating and maintenance expenses and debt service requirements on all bonds and other obligations issued by the Authority as well as other payments required by the Authority to operate, maintain and preserve the Authority and its assets.

The rate structure is based upon the total annual volume of sewage from member municipalities discharged or disposed of through the Authority facility and is applied uniformly throughout its service area. Member municipality sewer use service charges are determined by multiplying the municipal flow ratio of the annual metered volume of sewage, by the actual total cost in any fiscal year of maintenance, operation and debt service. See attached Resolution #78-25.

Annually, at the end of each budget year, connection fees are calculated in accordance with N.J.S.A 40A:26A-11. The revised connection fee is then imposed upon those who subsequently connect to the system in that budget year.

AUTHORITY CONTACT INFORMATION

FISCAL YEAR 2026

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

Name of Authority:	South Monmouth Regional Sewerage Authority		
<i>Federal ID Number:</i>	22-1934703		
<i>Address:</i>	1235 18th Avenue		
<i>City, State, Zip:</i>	Belmar	NJ	07719
<i>Phone: (ext.)</i>	732 681-0611	<i>Fax:</i>	N/A

Preparer's Name:	Karen Oliver		
<i>Preparer's Address:</i>	1235 18th Avenue		
<i>City, State, Zip:</i>	Belmar	NJ	07719
<i>Phone: (ext.)</i>	732 681-0611	<i>Fax:</i>	N/A
<i>E-mail:</i>	Koliver@smrsa.org		

Chief Executive Officer*	Ryan Krause		
<i>*Or person who performs these functions under another title.</i>			
<i>Phone: (ext.)</i>	732 681-0611	<i>Fax:</i>	N/A
<i>E-mail:</i>	Rkrause@smrsa.org		

Chief Financial Officer*	Karen Oliver		
<i>*Or person who performs these functions under another title.</i>			
<i>Phone: (ext.)</i>	732 681-0611	<i>Fax:</i>	N/A
<i>E-mail:</i>	Koliver@smrsa.org		

Name of Auditor:	Paul Cuva		
<i>Name of Firm:</i>	Wiekltotz & Company, LLC		
<i>Address:</i>	401 Wanaque Avenue		
<i>City, State, Zip:</i>	Pompton Lakes	NJ	07442
<i>Phone: (ext.)</i>	973 885-7900	<i>Fax:</i>	973 835-9331
<i>E-mail:</i>	pcuva@w-cpa.com		

AUTHORITY INFORMATIONAL QUESTIONNAIRE

South Monmouth Regional Sewerage Authority

FISCAL YEAR: January 01, 2026 to December 31, 2026

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

30

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:

\$ 1,871,260.19

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

8

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

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

0

(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?

Yes

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?

No

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?

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", 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*?

Yes

**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)

South Monmouth Regional Sewerage Authority

FISCAL YEAR: January 01, 2026 to December 31, 2026

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? Yes
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)

South Monmouth Regional Sewerage Authority

FISCAL YEAR: January 01, 2026 to December 31, 2026

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)

South Monmouth Regional Sewerage Authority

FISCAL YEAR: January 01, 2026 to December 31, 2026

Use the space below to provide clarification for any Questionnaire responses.

Questions #9

The Authority considers periodic evaluations critical to documenting and maintaining a formal record of an employee's performance over time and establishes a foundation for personnel actions such as promotions and terminations. In addition day to day feedback to the employee, a formal performance evaluation is considered for all employees at least annually. In addition to the completion of annual appraisals, the performance levels of all employees are reviewed by a Human Resource Committee of the Board consisting of four voting members. To ensure independence, Commission appointments to this Committee are reviewed and revised annually. This Committee with input from the Executive Director and Director of Human Resources establishes salary ranges and proposes salary increases for positions utilizing data from various industry related salary surveys (AWWA, WEF, AEA_NJ, NJWEA and other Monmouth County Authorities). The Committee recommendations are then forwarded to the full board of Commissioners for incumbent salary increases. Salary increases are read aloud at open public meetings and memorialized by a written and formal resolution of the Board. The Executive Director is the sole employee of the Authority that is employed by a written employment contract. This contract is negotiated at the Human Resource Committee level reviewed by Authority Counsel, presented to the Board of Commissioners for consideration and upon approval is signed by all parties. The Contract approval is read aloud at a regularly scheduled open public meeting and memorialized by a formal Resolution of the Board.

Question #10

December 2024 \$110.24 Party Fair for Holiday Party
December 2024 \$267.79 Shoprite for Holiday Party
December 2024 \$393.19 Foodini Catering for Holiday Party
December 2024 \$132.57 Shoprite for Retirement Party
December 2024 \$370.42 Attilio's Catering for Retirement Party
December 2024 \$115.23 Simmonas Bakery for Retirement Party

Question #11

March 2024 \$30.00 R Krause AEA Spring Conference Atlantic City
March 2024 \$185.03 J Gaskill AEA Spring Conference Atlantic City
March 2024 \$481.73 K Oliver AEA Spring Conference in Atlantic City
October 2024 \$2,300.77 R Krause WEFTEC Conference New Orleans
November 2024 \$379.01 K Oliver AEA Fall Conference Atlantic City
November 2024 \$23.00 R. Krause AEA Fall Conference Atlantic City

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

South Monmouth Regional Sewerage Authority

FISCAL YEAR: January 01, 2026 to December 31, 2026

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.

South Monmouth Regional Sewerage Authority
For the Period January 01, 2026 to December 31, 2026

Name	Title	Average Hours per Week Dedicated to Position	Position				Reportable Compensation from Authority (W-2/ 1099)				
			Commissioner	Key Employee Officer	Highest Compensated Employee	Former	Base Salary/ Stipend	Bonus	Other (auto allowance, expense account, payment in lieu of health benefits, etc.)	Estimated amount of other compensation from the Authority (health benefits, pension, etc.)	Total Compensation from Authority
1 E. Gene Cory	Chairman	2	X				\$ 2,000.00	\$ -	\$ -	\$ -	\$ 2,000.00
2 Thomas Shields	Vice-Chairman	1	X				\$ 2,000.00	\$ -	\$ -	\$ -	\$ 2,000.00
3 Joseph May	Secretary	1	X				\$ 2,000.00	\$ -	\$ -	\$ -	\$ 2,000.00
4 Kevin Lynch	Treasurer	5	X				\$ 2,000.00	\$ -	\$ -	\$ 45,527.00	\$ 47,527.00
5 Edward Donovan	Commissioner	1	X				\$ 2,000.00	\$ -	\$ -	\$ -	\$ 2,000.00
6 Michael Mattia	Commissioner	20	X				\$ 2,000.00	\$ -	\$ -	\$ 33,467.00	\$ 35,467.00
7 Michael Meixsell	Commissioner	2					\$ 2,000.00	\$ -	\$ -	\$ -	\$ 2,000.00
8 Paul Nolan	Commissioner	1	X				\$ 2,000.00	\$ -	\$ -	\$ -	\$ 2,000.00
9 Ryan Krause	Executive Director	40		X			\$ 160,989.00	\$ -	\$ 9,800.00	\$ 1,550.00	\$ 172,339.00
10 Karen Oliver	CFO & Director of HR	40		X			\$ 106,605.00	\$ -	\$ 4,200.00	\$ 33,144.00	\$ 143,949.00
11 Joseph Gaskill	Superintendent	40			X		\$ 148,000.00	\$ -	\$ -	\$ 37,499.00	\$ 185,499.00
12 William Apuzzo	Superintendent Mech	40			X		\$ 123,900.00	\$ -	\$ 5,850.00	\$ 52,150.00	\$ 181,900.00
13										\$ -	\$ -
14										\$ -	\$ -
15										\$ -	\$ -
16										\$ -	\$ -
17										\$ -	\$ -
18										\$ -	\$ -
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20										\$ -	\$ -
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30										\$ -	\$ -
31										\$ -	\$ -
32										\$ -	\$ -
33										\$ -	\$ -
34										\$ -	\$ -
35										\$ -	\$ -
Total:							\$ 555,494.00	\$ -	\$ 19,850.00	\$ 203,337.00	\$ 778,681.00

Schedule of Health Benefits - Detailed Cost Analysis

South Monmouth Regional Sewerage Authority

For the Period: January 01, 2026 to December 31, 2026

If no health benefits, check this box:

	# of Covered Members (Medical & Rx) Proposed Budget	Annual Cost Estimate per Employee Proposed Budget	Total Cost Estimate Proposed Budget	# of Covered Members (Medical & Rx) Current Year	Annual Cost per Employee Current Year	Total Current Year Cost	\$ Increase (Decrease)	% Increase (Decrease)
Active Employees - Health Benefits - Annual Cost								
Single Coverage	8	23,060.51	184,484.08	6	15,958.74	95,752.44	88,731.64	92.7%
Parent & Child			-			-	-	
Employee & Spouse (or Partner)	4	46,561.38	186,245.52	4	34,094.94	136,379.76	49,865.76	36.6%
Family	6	60,953.28	365,719.68	4	44,524.92	178,099.68	187,620.00	105.3%
Employee Cost Sharing Contribution (enter as negative -)			(185,369.08)			(113,197.80)	(72,171.28)	63.8%
Subtotal	18		551,080.20	14		297,034.08	254,046.12	85.5%
Commissioners - Health Benefits - Annual Cost								
Single Coverage			-			-	-	
Parent & Child			-			-	-	
Employee & Spouse (or Partner)	1	37,641.84	37,642	1	27,562.56	27,562.56	10,079.28	36.6%
Family	1	52,509.84	52,510	1	38,449.80	38,449.80	14,060.04	36.6%
Employee Cost Sharing Contribution (enter as negative -)			(2,893)			(2,118.18)	(774.58)	36.6%
Subtotal	2		87,259	2		63,894.18	23,364.74	36.6%
Retirees - Health Benefits - Annual Cost								
Single Coverage	6	8,682.08	52,092.48	6	6,383.88	38,303.28	13,789.20	36.0%
Parent & Child	2	41,202.29	82,404.58	2	30,295.80	60,591.60	21,812.98	36.0%
Employee & Spouse (or Partner)	8	32,302.21	258,417.68	8	23,751.62	190,012.96	68,404.72	36.0%
Family	2	40,373.07	80,746.14	2	29,686.08	59,372.16	21,373.98	36.0%
Employee Cost Sharing Contribution (enter as negative -)						-	-	
Subtotal	18		473,660.88	18		348,280.00	125,380.88	36.0%
GRAND TOTAL	38		1,112,000.00	34		709,208.26	402,791.74	56.8%

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

Schedule of Shared Service Agreements

South Monmouth Regional Sewerage Authority

For the Period: January 01, 2026 to December 31, 2026

If no shared services, check this box:

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

Name of Entity Providing Service	Name of Entity Receiving Service	Type of Shared Service Provided	Comments (Enter more specifics if needed)	Agreement Effective Date	Agreement End Date	Amount to be Received by/ Paid from Authority
County of Monmouth	SMRSA	Truck Washing		10/1/2019	9/30/2028	Per Contract
County of Monmouth	SMRSA	Municipal Assistance/Repairs		10/1/2025	9/30/2028	Per Contract
Brick TWP MUA	SMRSA	Sewer Lines, Maintenance & Repair		9/12/2029	Open	Per Contract
Note: SMRSA also has inter-local agreements with PVSC and Stoney Brook RSA for disposal of Sewer Sludge						

**FISCAL YEAR 2026 AUTHORITY BUDGET
FINANCIAL SCHEDULES SECTION**

SUMMARY

South Monmouth Regional Sewerage Authority
For the Period: January 01, 2026 to December 31, 2026

	FY 2026 Proposed Budget						FY 2025 Adopted Budget	\$ Increase (Decrease) Proposed vs. Adopted	% Increase (Decrease) Proposed vs. Adopted	
	Sewerage Treatment	Sewerage Treatment	Operation #3	Operation #4	Operation #5	Operation #6	Total All Operations	Total All Operations	All Operations	All Operations
REVENUES										
Total Operating Revenues	\$ 9,303,817	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,303,817	\$ 9,028,327	\$ 275,490	3.1%
Total Non-Operating Revenues	-	-	-	-	-	-	-	-	-	#DIV/0!
Total Anticipated Revenues	<u>9,303,817</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,303,817</u>	<u>9,028,327</u>	<u>275,490</u>	<u>3.1%</u>
APPROPRIATIONS										
Total Administration	1,569,441	-	-	-	-	-	1,569,441	1,440,627	128,814	8.9%
Total Cost of Providing Services	5,973,149	-	-	-	-	-	5,973,149	5,826,472	146,677	2.5%
Total Principal Payments on Debt Service in Lieu of Depreciation	752,448	-	-	-	-	-	752,448	721,919	30,529	4.2%
Total Operating Appropriations	8,295,038	-	-	-	-	-	8,295,038	7,989,018	306,020	3.8%
Total Interest Payments on Debt	180,297	-	-	-	-	-	180,297	205,326	(25,029)	-12.2%
Total Other Non-Operating Appropriations	828,483	-	-	-	-	-	828,483	833,983	(5,500)	-0.7%
Total Non-Operating Appropriations	<u>1,008,780</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,008,780</u>	<u>1,039,309</u>	<u>(30,529)</u>	<u>-2.9%</u>
Accumulated Deficit	-	-	-	-	-	-	-	-	-	#DIV/0!
Total Appropriations and Accumulated Deficit	9,303,817	-	-	-	-	-	9,303,817	9,028,327	275,491	3.1%
Less: Total Unrestricted Net Position Utilized	-	-	-	-	-	-	-	-	-	#DIV/0!
Net Total Appropriations	<u>9,303,817</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,303,817</u>	<u>9,028,327</u>	<u>275,491</u>	<u>3.1%</u>
ANTICIPATED SURPLUS (DEFICIT)	<u>\$ (1)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1)</u>	<u>\$ 0</u>	<u>\$ (1)</u>	<u>-303.3%</u>

Revenue Schedule

South Monmouth Regional Sewerage Authority
For the Period: January 01, 2026 to December 31, 2026

	FY 2026 Proposed Budget						FY 2025 Adopted Budget	\$ Increase (Decrease) Proposed vs. Adopted	% Increase (Decrease) Proposed vs. Adopted	
	Sewerage Treatment	Sewerage Treatment	Operation #3	Operation #4	Operation #5	Operation #6	Total All Operations	Total All Operations	All Operations	All Operations
OPERATING REVENUES										
<i>Service Charges</i>										
Residential	9,286,817					\$ 9,286,817	\$ 9,016,327	\$ 270,490	3.0%	
Business/Commercial	17,000					17,000	12,000	5,000	41.7%	
Industrial						-	-	-	#DIV/0!	
Intergovernmental						-	-	-	#DIV/0!	
Other						-	-	-	#DIV/0!	
Total Service Charges	9,303,817	-	-	-	-	9,303,817	9,028,327	275,490	3.1%	
<i>Connection Fees</i>										
Residential						-	-	-	#DIV/0!	
Business/Commercial						-	-	-	#DIV/0!	
Industrial						-	-	-	#DIV/0!	
Intergovernmental						-	-	-	#DIV/0!	
Other						-	-	-	#DIV/0!	
Total Connection Fees	-	-	-	-	-	-	-	-	#DIV/0!	
<i>Parking Fees</i>										
Meters						-	-	-	#DIV/0!	
Permits						-	-	-	#DIV/0!	
Fines/Penalties						-	-	-	#DIV/0!	
Other						-	-	-	#DIV/0!	
Total Parking Fees	-	-	-	-	-	-	-	-	#DIV/0!	
<i>Other Operating Revenues (List)</i>										
						-	-	-	#DIV/0!	
						-	-	-	#DIV/0!	
						-	-	-	#DIV/0!	
						-	-	-	#DIV/0!	
						-	-	-	#DIV/0!	
						-	-	-	#DIV/0!	
						-	-	-	#DIV/0!	
						-	-	-	#DIV/0!	
						-	-	-	#DIV/0!	
						-	-	-	#DIV/0!	
						-	-	-	#DIV/0!	
						-	-	-	#DIV/0!	
Total Other Revenue	-	-	-	-	-	-	-	-	#DIV/0!	
Total Operating Revenues	9,303,817	-	-	-	-	9,303,817	9,028,327	275,490	3.1%	
NON-OPERATING REVENUES										
<i>Other Non-Operating Revenues (List)</i>										
						-	-	-	#DIV/0!	
						-	-	-	#DIV/0!	
						-	-	-	#DIV/0!	
						-	-	-	#DIV/0!	
						-	-	-	#DIV/0!	
						-	-	-	#DIV/0!	
Total Other Non-Operating Revenue	-	-	-	-	-	-	-	-	#DIV/0!	
<i>Interest on Investments & Deposits (List)</i>										
Interest Earned						-	-	-	#DIV/0!	
Penalties						-	-	-	#DIV/0!	
Other						-	-	-	#DIV/0!	
Total Interest	-	-	-	-	-	-	-	-	#DIV/0!	
Total Non-Operating Revenues	-	-	-	-	-	-	-	-	#DIV/0!	
TOTAL ANTICIPATED REVENUES	\$ 9,303,817	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,303,817	\$ 9,028,327	\$ 275,490	3.1%

Prior Year Adopted Revenue Schedule

South Monmouth Regional Sewerage Authority

FY 2025 Adopted Budget

	Sewerage Treatment	Sewerage Treatment	Operation #3	Operation #4	Operation #5	Operation #6	Total All Operations
OPERATING REVENUES							
<i>Service Charges</i>							
Residential		9,016,327					\$ 9,016,327
Business/Commercial		12,000					12,000
Industrial							-
Intergovernmental							-
Other							-
Total Service Charges		9,028,327	-	-	-	-	9,028,327
<i>Connection Fees</i>							
Residential							-
Business/Commercial							-
Industrial							-
Intergovernmental							-
Other							-
Total Connection Fees		-	-	-	-	-	-
<i>Parking Fees</i>							
Meters							-
Permits							-
Fines/Penalties							-
Other							-
Total Parking Fees		-	-	-	-	-	-
<i>Other Operating Revenues (List)</i>							
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
Total Other Revenue		-	-	-	-	-	-
Total Operating Revenues		9,028,327	-	-	-	-	9,028,327
NON-OPERATING REVENUES							
<i>Other Non-Operating Revenues (List)</i>							
							-
							-
							-
							-
							-
Total Other Non-Operating Revenues		-	-	-	-	-	-
<i>Interest on Investments & Deposits</i>							
Interest Earned							-
Penalties							-
Other							-
Total Interest		-	-	-	-	-	-
Total Non-Operating Revenues		-	-	-	-	-	-
TOTAL ANTICIPATED REVENUES	\$ 9,028,327	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,028,327

Appropriations Schedule

South Monmouth Regional Sewerage Authority
For the Period: January 01, 2026 to December 31, 2026

	FY 2026 Proposed Budget						FY 2025 Adopted Budget	\$ Increase (Decrease) Proposed vs. Adopted	% Increase (Decrease) Proposed vs. Adopted	
	Sewerage Treatment	Sewerage Treatment	Operation #3	Operation #4	Operation #5	Operation #6	Total All Operations	Total All Operations	All Operations	
OPERATING APPROPRIATIONS										
<i>Administration - Personnel</i>										
Salary & Wages	\$ 526,631					\$ 526,631	\$ 526,364	\$ 267	0.1%	
Fringe Benefits	433,582					433,582	367,332	66,250	18.0%	
Total Administration - Personnel	960,213					960,213	893,696	66,517	7.4%	
<i>Administration - Other (List)</i>										
Authority Administrative Costs	513,428					513,428	458,531	54,897	12.0%	
Office & IT	95,800					95,800	88,400	7,400	8.4%	
Miscellaneous Administration*									#DIV/0!	
Total Administration - Other	609,228					609,228	546,931	62,297	11.4%	
Total Administration	1,569,441					1,569,441	1,440,627	128,814	8.9%	
<i>Cost of Providing Services - Personnel</i>										
Salary & Wages	1,632,138					1,632,138	1,483,817	148,321	10.0%	
Fringe Benefits	1,244,236					1,244,236	1,035,668	208,568	20.1%	
Total COPS - Personnel	2,876,374					2,876,374	2,519,485	356,889	14.2%	
<i>Cost of Providing Services - Other (List)</i>										
Plant Operations	2,433,360					2,433,360	2,562,443	(129,083)	-5.0%	
System Operation	663,415					663,415	744,543	(81,128)	-10.9%	
Miscellaneous COPS*									#DIV/0!	
Total COPS - Other	3,096,775					3,096,775	3,306,987	(210,212)	-6.4%	
Total Cost of Providing Services	5,973,149					5,973,149	5,826,472	146,677	2.5%	
Total Principal Payments on Debt Service in Lieu of Depreciation	752,448					752,448	721,919	30,529	4.2%	
Total Operating Appropriations	8,295,038					8,295,038	7,989,018	306,020	3.8%	
NON-OPERATING APPROPRIATIONS										
Total Interest Payments on Debt	180,297					180,297	205,326	(25,029)	-12.2%	
Operations & Maintenance Reserve									#DIV/0!	
Renewal & Replacement Reserve									#DIV/0!	
Municipality/County Appropriation									#DIV/0!	
Other Reserves	828,483					828,483	833,983	(5,500)	-0.7%	
Total Non-Operating Appropriations	1,008,780					1,008,780	1,039,309	(30,529)	-2.9%	
TOTAL APPROPRIATIONS	9,303,817					9,303,817	9,028,327	275,491	3.1%	
ACCUMULATED DEFICIT										
TOTAL APPROPRIATIONS & ACCUMULATED DEFICIT	9,303,817					9,303,817	9,028,327	275,491	3.1%	
UNRESTRICTED NET POSITION UTILIZED										
Municipality/County Appropriation									#DIV/0!	
Other									#DIV/0!	
Total Unrestricted Net Position Utilized									#DIV/0!	
TOTAL NET APPROPRIATIONS	\$ 9,303,817	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,303,817	\$ 9,028,327	\$ 275,491	3.1%

* 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 \$ 414,751.88 \$ - \$ - \$ - \$ - \$ - \$ 414,751.88

Prior Year Adopted Appropriations Schedule

South Monmouth Regional Sewerage Authority

FY 2025 Adopted Budget

	Sewerage Treatment	Sewerage Treatment	Operation #3	Operation #4	Operation #5	Operation #6	Total All Operations
OPERATING APPROPRIATIONS							
<i>Administration - Personnel</i>							
Salary & Wages	\$ 526,364						\$ 526,364
Fringe Benefits	367,332						367,332
Total Administration - Personnel	893,696	-	-	-	-	-	893,696
<i>Administration - Other (List)</i>							
Authority Administrative Costs	458,531						458,531
Office & IT	88,400						88,400
Miscellaneous Administration*							-
Total Administration - Other	546,931	-	-	-	-	-	546,931
Total Administration	1,440,627	-	-	-	-	-	1,440,627
<i>Cost of Providing Services - Personnel</i>							
Salary & Wages	1,483,817						1,483,817
Fringe Benefits	1,035,668						1,035,668
Total COPS - Personnel	2,519,485	-	-	-	-	-	2,519,485
<i>Cost of Providing Services - Other (List)</i>							
Plant Operations	2,562,443						2,562,443
Plant Systems	744,543						744,543
Miscellaneous COPS*							-
Total COPS - Other	3,306,987	-	-	-	-	-	3,306,987
Total Cost of Providing Services	5,826,472	-	-	-	-	-	5,826,472
Total Principal Payments on Debt Service in Lieu of Depreciation	721,919	-	-	-	-	-	721,919
Total Operating Appropriations	7,989,018	-	-	-	-	-	7,989,018
NON-OPERATING APPROPRIATIONS							
Total Interest Payments on Debt	205,326	-	-	-	-	-	205,326
Operations & Maintenance Reserve							-
Renewal & Replacement Reserve							-
Municipality/County Appropriation							-
Other Reserves	833,983						833,983
Total Non-Operating Appropriations	1,039,309	-	-	-	-	-	1,039,309
TOTAL APPROPRIATIONS	9,028,327	-	-	-	-	-	9,028,327
ACCUMULATED DEFICIT							-
TOTAL APPROPRIATIONS & ACCUMULATED DEFICIT	9,028,327	-	-	-	-	-	9,028,327
UNRESTRICTED NET POSITION UTILIZED							
Municipality/County Appropriation	-	-	-	-	-	-	-
Other							-
Total Unrestricted Net Position Utilized	-	-	-	-	-	-	-
TOTAL NET APPROPRIATIONS	\$ 9,028,327	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,028,327

* 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 \$ 399,450.89 \$ - \$ - \$ - \$ - \$ - \$ 399,450.89

Debt Service Schedule - Principal

South Monmouth Regional Sewerage Authority

If Authority has no debt, check this box:

	Date of Local Finance Board Approval	<i>Fiscal Year Ending in</i>								Total Principal Outstanding	
		FY 2025 (Adopted Budget)	FY 2026 (Proposed Budget)	2027		2028		2029			Thereafter
				2030	2031	2032	2033				
<i>Sewerage Treatment</i>											
NJIB Brielle/GG 2024 A/B		\$ 37,657	\$ 38,186	\$ 38,701	\$ 39,206	\$ 39,700	\$ 40,206	\$ 40,728	\$ 592,871	\$ 829,597	
MCIA 2011/2016		575,000	600,000	625,000	650,000	680,000	705,000	730,000	-	3,990,000	
NJIB Belmar 2017 A/B		109,262	114,262	114,262	114,262	114,262	114,262	119,262	730,572	1,421,144	
Total Principal		<u>721,919</u>	<u>752,448</u>	<u>777,963</u>	<u>803,468</u>	<u>833,962</u>	<u>859,468</u>	<u>889,990</u>	<u>1,323,443</u>	<u>6,240,741</u>	
<i>Sewerage Treatment</i>											
										-	
Total Principal		-	-	-	-	-	-	-	-	-	
<i>Operation #3</i>											
										-	
Total Principal		-	-	-	-	-	-	-	-	-	
<i>Operation #4</i>											
										-	
Total Principal		-	-	-	-	-	-	-	-	-	
<i>Operation #5</i>											
										-	
Total Principal		-	-	-	-	-	-	-	-	-	
<i>Operation #6</i>											
										-	
Total Principal		-	-	-	-	-	-	-	-	-	
TOTAL PRINCIPAL ALL OPERATIONS		<u>\$ 721,919</u>	<u>\$ 752,448</u>	<u>\$ 777,963</u>	<u>\$ 803,468</u>	<u>\$ 833,962</u>	<u>\$ 859,468</u>	<u>\$ 889,990</u>	<u>\$ 1,323,443</u>	<u>\$ 6,240,741</u>	

<i>Indicate the Authority's most recent bond rating and the year of the rating by ratings service.</i>			
	Moody's	Fitch	Standard & Poors
Bond Rating	Aa2		
Year of Last Rating	2024		

Debt Service Schedule - Interest

South Monmouth Regional Sewerage Authority

If Authority has no debt, check this box:

	<i>Fiscal Year Ending in</i>								Total Interest Payments Outstanding	
	FY 2025 (Adopted Budget)	FY 2026 (Proposed Budget)	2027	2028	2029	2030	2031	Thereafter		
<i>Sewerage Treatment</i>										
NJIB Brielle/GG 2024 A/B	\$ 14,857	\$ 14,328	\$ 13,814	\$ 13,308	\$ 12,814	\$ 12,308	\$ 11,787	\$ 89,817	\$ 168,176	
MCIA 2011/2016	175,300	152,300	128,300	103,300	77,300	50,100	21,900	-	533,200	
NJIB Belmar 2017 A/B	15,169	13,669	11,919	11,175	10,343	9,469	8,550	27,100	92,225	
Total Interest Payments	205,326	180,297	154,033	127,783	100,457	71,877	42,237	116,917	793,601	
<i>Sewerage Treatment</i>										
									-	
Total Interest Payments	-	-	-	-	-	-	-	-	-	
<i>Operation #3</i>										
									-	
Total Interest Payments	-	-	-	-	-	-	-	-	-	
<i>Operation #4</i>										
									-	
Total Interest Payments	-	-	-	-	-	-	-	-	-	
<i>Operation #5</i>										
									-	
Total Interest Payments	-	-	-	-	-	-	-	-	-	
<i>Operation #6</i>										
									-	
Total Interest Payments	-	-	-	-	-	-	-	-	-	
TOTAL INTEREST ALL OPERATIONS	\$ 205,326	\$ 180,297	\$ 154,033	\$ 127,783	\$ 100,457	\$ 71,877	\$ 42,237	\$ 116,917	\$ 793,601	

Net Position Reconciliation

South Monmouth Regional Sewerage Authority

For the Period: January 01, 2026 to December 31, 2026

FY 2026 Proposed Budget

	Sewerage Treatment	Sewerage Treatment	Operation #3	Operation #4	Operation #5	Operati on #6	Total All Operations
TOTAL NET POSITION BEGINNING OF LATEST AUDIT REPORT YEAR(1)	\$ 30,297,599						\$ 30,297,599
Less: Invested in Capital Assets, Net of Related Debt (1)	22,612,466						22,612,466
Less: Restricted for Debt Service Reserve (1)	757,300						757,300
Less: Other Restricted Net Position (1)	814,659						814,659
Total Unrestricted Net Position (1)	6,113,174	-	-	-	-	-	6,113,174
Less: Designated for Non-Operating Improvements & Repairs							-
Less: Designated for Rate Stabilization	1,797,475						1,797,475
Less: Other Designated by Resolution	8,869,146						8,869,146
Plus: Accrued Unfunded Pension Liability (1)	3,096,142						3,096,142
Plus: Accrued Unfunded Other Post-Employment Benefit Liability (1)	7,683,411						7,683,411
Plus: Estimated Income (Loss) on Current Year Operations (2)							-
Plus: Other Adjustments (attach schedule)							-
UNRESTRICTED NET POSITION AVAILABLE FOR USE IN PROPOSED BUDGET	6,226,106	-	-	-	-	-	6,226,106
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							
Last issued Audit Report (4)	\$ 6,226,106	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,226,106

(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 \$ 414,752 \$ - \$ - \$ - \$ - \$ - \$ 414,752

(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.

FISCAL YEAR 2026

South Monmouth Regional Sewerage Authority

(Authority Name)

2026 AUTHORITY CAPITAL BUDGET/PROGRAM

2026 CERTIFICATION OF AUTHORITY CAPITAL BUDGET / PROGRAM

South Monmouth Regional Sewerage Authority

(Authority Name)

Fiscal Year: January 01, 2026 to December 31, 2026

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 South Monmouth Regional Sewerage Authority, on October 08, 2025.

It is hereby certified that the governing body of the South Monmouth Regional Sewerage Authority 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 South Monmouth Regional for the following reason(s):

Officer's Signature:	Rkrause@smrsa.org
Name:	Ryan Krause
Title:	Executive Director
Address:	1235 18th Avenue Belmar, NJ 07719
Phone Number:	732 681-0611
Fax Number:	N/A
E-mail Address:	Rkrause@smrsa.org

2026 CAPITAL BUDGET/PROGRAM MESSAGE

South Monmouth Regional Sewerage Authority

Fiscal Year: January 01, 2026 to December 31, 2026

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).

Trickling Filter #1 & #2 Replacement Project and Gas Treatment Flare Project will be funded through the New Jersey Infrastructure Bank. The Authority will be utilizing other income sources and reserves to fund the WWTP Major Repairs/Upgrades and the Systems Major Repairs/Upgrades. These other sources consist of savings from Debt Payments of loans that matured along with asset management reserves. On an annual basis (October 2025, the Authority reviews and will use earned sources of income (Connection fees, interest income and misc income, etc.) that was earned throughout the year.

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

South Monmouth Regional Sewerage Authority
For the Period: January 01, 2026 to December 31, 2026

	Estimated Total Cost	Funding Sources				
		Unrestricted Net Position Utilized	Renewal & Replacement Reserve	Debt Authorization	Capital Grants	Other Sources
<i>Sewerage Treatment</i>						
WWTP Major Repairs/Upgrades	\$ 3,399,000					\$ 3,399,000
Systems Major Repairs/Upgrades	1,185,000					1,185,000
Trickling Filter 1 & 2 Rehab	1,718,850			1,718,850		
Waste Gas Flare Project	1,396,500			1,396,500		
Total	7,699,350	-	-	3,115,350	-	4,584,000
<i>Sewerage Treatment</i>						
	-					
	-					
	-					
Total	-	-	-	-	-	-
<i>Operation #3</i>						
	-					
	-					
	-					
Total	-	-	-	-	-	-
<i>Operation #4</i>						
	-					
	-					
	-					
Total	-	-	-	-	-	-
<i>Operation #5</i>						
	-					
	-					
	-					
Total	-	-	-	-	-	-
<i>Operation #6</i>						
	-					
	-					
	-					
Total	-	-	-	-	-	-
TOTAL PROPOSED CAPITAL BUDGET	\$ 7,699,350	\$ -	\$ -	\$ 3,115,350	\$ -	\$ 4,584,000

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

5 Year Capital Improvement Plan

South Monmouth Regional Sewerage Authority
For the Period: January 01, 2026 to December 31, 2026

Fiscal Year Ending in

	<u>Estimated Total</u> <u>Cost</u>	<u>FY 2026 (Proposed</u> <u>Budget)</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>
<i>Sewerage Treatment</i>							
WWTP Major Repairs/Upgrades	\$ 8,404,000	\$ 3,399,000	\$ 2,466,000	\$ 821,000	\$ 1,461,000	\$ 191,000	\$ 66,000
Systems Major Repairs/Upgrades	5,200,000	1,185,000	2,210,000	1,055,000	750,000	-	-
Trickling Filter 1 & 2 Rehab	1,718,850	1,718,850	-	-	-	-	-
Waste Gas Flare Project	1,396,500	1,396,500	-	-	-	-	-
Total	<u>16,719,350</u>	<u>7,699,350</u>	<u>4,676,000</u>	<u>1,876,000</u>	<u>2,211,000</u>	<u>191,000</u>	<u>66,000</u>
<i>Sewerage Treatment</i>							
Settling Tank Rehab	4,600,000	-	\$ -	\$ 4,600,000	\$ -	\$ -	\$ -
Digester Rehab	7,000,000	-	-	-	7,000,000	-	-
Force Main Upgrades	7,500,000	-	-	-	-	7,500,000	-
Total	<u>19,100,000</u>	<u>-</u>	<u>-</u>	<u>4,600,000</u>	<u>7,000,000</u>	<u>7,500,000</u>	<u>-</u>
<i>Operation #3</i>							
	-	-	-	-	-	-	-
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Operation #4</i>							
	-	-	-	-	-	-	-
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Operation #5</i>							
	-	-	-	-	-	-	-
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Operation #6</i>							
	-	-	-	-	-	-	-
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL	<u><u>\$ 35,819,350</u></u>	<u><u>\$ 7,699,350</u></u>	<u><u>\$ 4,676,000</u></u>	<u><u>\$ 6,476,000</u></u>	<u><u>\$ 9,211,000</u></u>	<u><u>\$ 7,691,000</u></u>	<u><u>\$ 66,000</u></u>

5 Year Capital Improvement Plan

South Monmouth Regional Sewerage Authority
For the Period: January 01, 2026 to December 31, 2026

Fiscal Year Ending in

	Estimated Total Cost	FY 2026 (Proposed Budget)	2027	2028	2029	2030	2031
	\$ -						
TOTAL THIS PAGE ONLY	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

5 Year Capital Improvement Plan

South Monmouth Regional Sewerage Authority
For the Period: January 01, 2026 to December 31, 2026

	Estimated Total Cost	<i>Fiscal Year Ending in</i>				
		FY 2026 (Proposed Budget)	2027	2028	2029	2030
	\$ -					
TOTAL ALL DETAIL PAGES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

5 Year Capital Improvement Plan Funding Sources

South Monmouth Regional Sewerage Authority
For the Period: January 01, 2026 to December 31, 2026

		<i>Funding Sources</i>				
		Estimated Total Cost	Unrestricted Net Position Utilized	Renewal & Replacement Reserve	Debt Authorization	Capital Grants Other Sources
<i>Sewerage Treatment</i>						
WWTP Major Repairs/Upgrades	\$ 8,404,000	\$ -				\$ 8,404,000
Systems Major Repairs/Upgrades	5,200,000					5,200,000
Trickling Filter 1 & 2 Rehab	1,718,850			1,718,850		
Waste Gas Flare Project	1,396,500			1,396,500		
Total	16,719,350	-	-	3,115,350	-	13,604,000
<i>Sewerage Treatment</i>						
Settling Tank Rehab	4,600,000			\$ 4,600,000		
Digester Rehab	7,000,000			7,000,000		
Force Main Upgrades	7,500,000			7,500,000		
Total	19,100,000	-	-	19,100,000	-	-
<i>Operation #3</i>						
	-					
	-					
	-					
Total	-	-	-	-	-	-
<i>Operation #4</i>						
	-					
	-					
	-					
Total	-	-	-	-	-	-
<i>Operation #5</i>						
	-					
	-					
	-					
Total	-	-	-	-	-	-
<i>Operation #6</i>						
	-					
	-					
	-					
Total	-	-	-	-	-	-
TOTAL	\$ 35,819,350	\$ -	\$ -	\$ 22,215,350	\$ -	\$ 13,604,000
Total 5 Year Plan per CB-4	\$ 35,819,350					
Balance check		- If amount is other than zero, verify that projects listed above match projects listed on CB-4.				

**Annual List of Change Orders Approved
Pursuant to N.J.A.C. 5:30-11**

Contracting Unit: South Monmouth Regional Sewerage Authority Year Ending: December 31, 2024

The following is a complete list of all change orders which caused the originally awarded contract price to be exceeded by more than 20 percent. For regulatory details please consult N.J.A.C. 5:30-11.1 et seq. Please identify each change order by name of the project.

Resolution #52.-24 Dated 8/8/24 Screw Pump Upgrades Project

For each change order listed above, submit with introduced budget a copy of the governing body resolution authorizing the change order and an Affidavit of Publication for the newspaper notice required by N.J.A.C. 5:30-11.9(d). (Affidavit must include a copy of the newspaper notice.)

If you have not had a change order exceeding the 20 percent threshold for the year indicated above, please check here and certify below.

10/8/2025
Date

Ryan Krause
Clerk/Secretary to the Governing Body

Appendix to Budget Document

