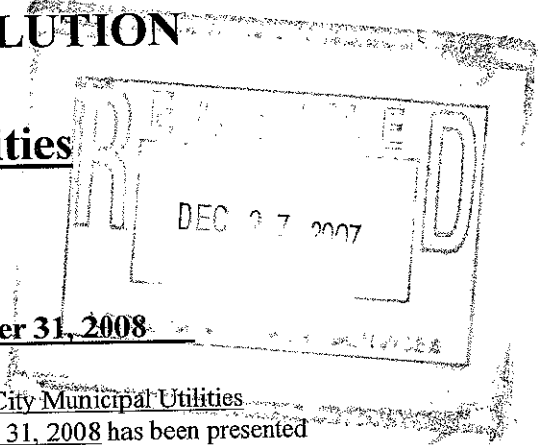


# 2008 ADOPTED BUDGET RESOLUTION

## Atlantic City Municipal Utilities (Name) **AUTHORITY**



**FISCAL YEAR: FROM January 1, 2008 TO December 31, 2008**

WHEREAS, the Annual Budget and Capital Budget/Program for the Atlantic City Municipal Utilities Authority for the fiscal year beginning January 1, 2008 and ending, December 31, 2008 has been presented for adoption before the governing body of the Atlantic City Municipal Utilities Authority at its open public meeting of December 19, 2007; and


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

WHEREAS, the Annual Budget as presented for adoption reflects Total Revenues of \$ 14,542,157, Total Appropriations, including any Accumulated Deficit, if any, of \$18,437,157 and Total Unrestricted Net Assets utilized of \$3,895,000; and

WHEREAS, the Capital Budget as presented for adoption reflects Total Capital Appropriations of \$14,291,825 and Total Unrestricted Net Assets planned to be utilized of \$62,360; and

NOW, THEREFORE BE IT RESOLVED, by the governing body of Atlantic City Municipal Utilities Authority, at an open public meeting held on December 19, 2007 that the Annual Budget and Capital Budget/Program of the Atlantic City Municipal Utilities Authority for the fiscal year beginning, January 1, 2008 and, ending, December 31, 2008 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)

December 19, 2007  
(Date)

| Governing Body<br>Member: | Recorded Vote |     |         |        |
|---------------------------|---------------|-----|---------|--------|
|                           | Aye           | Nay | Abstain | Absent |
| <b>Edmund J. Colanzi</b>  | X             |     |         |        |
| <b>Hattie Marshall</b>    | X             |     |         |        |
| <b>Milton L. Smith</b>    | X             |     |         |        |
| <b>Dennis Mason</b>       | X             |     |         |        |
| <b>Gary L. Hill</b>       | X             |     |         |        |

2008

ATLANTIC CITY MUNICIPAL  
UTILITIES

Authority Budget

Department Of



Community  
**Affairs**

Division of Local Government Services

2008

Atlantic City Municipal Utilities

**AUTHORITY BUDGET**

FISCAL YEAR: FROM January 1, 2008 TO December 31, 2008

*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. 40A:5A-11.*

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

By: \_\_\_\_\_ Date: \_\_\_\_\_

**CERTIFICATION OF ADOPTED BUDGET**

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

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

By: Howard Jones Date: 1/18/08

# 2008 PREPARER'S CERTIFICATION

## Atlantic City Municipal Utilities

### AUTHORITY BUDGET

FISCAL YEAR: FROM January 1, 2008 TO December 31, 2008

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

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

  
(Preparer's signature)

Neil A. Goldfine  
(Print Name)

Executive Director  
(Title)

P.O. Box 117, 401 N. Virginia Avenue  
(Address)

Atlantic City, NJ 08404-0117  
(City, State, Zip Code)

609-345-3315 / 16 / 609-345-7055  
(Phone number) (ext) (Fax number)

ngoldfine@acmua.org  
(Email Address)

# 2008 APPROVAL CERTIFICATION

## Atlantic City Municipal Utilities

(Name)

## AUTHORITY BUDGET

FISCAL YEAR: FROM January 1, 2008 TO December 31, 2008

It is hereby certified that the Authority Budget, including Supplemental Schedules appended hereto, are a true copy of the Annual Budget and Capital Budget/Program approved by resolution by the governing body of the Atlantic City Municipal Utilities Authority, at an open public meeting held pursuant to N.J.A.C. 5:31-2.3, on the 17th day of October , 2007.

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

  
(Secretary's signature)

Hattie Marshall

(Print Name)

Vice Chairman/Secretary

(Title)

401 N. Virginia Avenue – P.O. Box 117

(Address)

Atlantic City, NJ 08401-0117

(City, State, Zip Code)

609-345-3315 ext. 16/ 609-345-7055

(Phone number)

(Fax number)

\_\_\_\_\_  
(Email Address)

# AUTHORITY INFORMATION SHEET

## 2008

Please complete the following information regarding this Authority:

|                           |   |             |              |
|---------------------------|---|-------------|--------------|
| <b>Name of Authority:</b> | Atlantic City Municipal Utilities Authority |             |              |
| <b>Address:</b>           | 401 N. Virginia Avenue<br>P.O. Box 117      |             |              |
| <b>City, State, Zip:</b>  | Atlantic City, New Jersey                   | 08401-      | 0117         |
| <b>Phone:</b>             | 609-345-3315                                | <b>Fax:</b> | 609-345-7055 |

|                            |  |             |              |
|----------------------------|--|-------------|--------------|
| <b>Preparer's Name:</b>    | Neil A. Goldfine, P.E., P.P.           |             |              |
| <b>Preparer's Address:</b> | 401 N. Virginia Avenue<br>P.O. Box 117 |             |              |
| <b>City, State, Zip:</b>   | Atlantic City, New Jersey              | 08401-      | 0117         |
| <b>Phone:</b>              | 609-345-3315 ext. 16                   | <b>Fax:</b> | 609-345-7055 |

|                                 |                              |             |              |
|---------------------------------|------------------------------|-------------|--------------|
| <b>Chief Executive Officer:</b> | Neil A. Goldfine, P.E., P.P. |             |              |
| <b>Phone:</b>                   | 609-345-3315 x16             | <b>Fax:</b> | 609-345-7055 |
| <b>E-mail:</b>                  | ngoldfine@acmua.org          |             |              |

|                                 |                     |             |              |
|---------------------------------|---------------------|-------------|--------------|
| <b>Chief Financial Officer:</b> | Linda R. Bazemore   |             |              |
| <b>Phone:</b>                   | 609-345-3315 x15    | <b>Fax:</b> | 609-345-7055 |
| <b>E-mail:</b>                  | lbazemore@acmua.org |             |              |

|                          |                                   |             |              |
|--------------------------|-----------------------------------|-------------|--------------|
| <b>Name of Auditor:</b>  | Ken Moore                         |             |              |
| <b>Name of Firm:</b>     | Alliance of Governmental Auditors |             |              |
| <b>Address:</b>          | 1409 Cantillon Boulevard          |             |              |
| <b>City, State, Zip:</b> | Mays Landing, NJ                  | 08330       |              |
| <b>Phone:</b>            | 609-625-0999                      | <b>Fax:</b> | 609-625-2421 |
| <b>E-mail:</b>           | kwm@swartzcocpa.com               |             |              |

| <b>Membership of Board of Commissioners (Full Name)</b> | <b>Title</b>            |
|---|-------------------------|
| Edmund J. Colanzi                                       | Chairman                |
| Hattie Marshall   | Vice Chairman/Secretary |
| Milton L. Smith   | Treasurer               |
| Dennis Mason  | Board Member            |
| Gary L. Hill  | Board Member            |
|   |                         |
|   |                         |

**2008 Authority Budget Resolution**  
**Atlantic City Municipal Utilities**  
(Name)

**FISCAL YEAR: FROM January 1, 2008 TO December 31, 2008**

WHEREAS, the Annual Budget and Capital Budget for the Atlantic City Municipal Utilities Authority for the fiscal year beginning, January 1, 2008 and ending, December 31, 2008 has been presented before the governing body of the Atlantic City Municipal Utilities Authority at its open public meeting of October 17, 2007; and

WHEREAS, the Annual Budget as introduced reflects Total Revenues of \$ 14,542,157, Total Appropriations, including any Accumulated Deficit if any, of \$ 18,437,157 and Total Unrestricted Net Assets utilized of \$ 3,895,000; and

WHEREAS, the Capital Budget as introduced reflects Total Capital Appropriations of \$ 14,291,825 and Total Unrestricted Net Assets planned to be utilized as funding thereof, of \$ 62,360; and

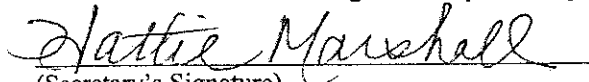
WHEREAS, the schedule of rates, fees and other charges in effect will produce sufficient revenues, together with all other anticipated revenues to satisfy all obligations to the holders of bonds of the Authority, to meet operating expenses, capital outlays, debt service requirements, and to provide for such reserves, all as may be required by law, regulation or terms of contracts and agreements; and

WHEREAS, the Capital Budget/Program, pursuant to N.J.A.C. 5:31-2, does not confer any authorization to raise or expend funds; rather it is a document to be used as part of the said Authority's planning and management objectives. Specific authorization to expend funds for the purposes described in this section of the budget, must be granted elsewhere; by bond resolution, by a project financing agreement, by resolution appropriating funds from the Renewal and Replacement Reserve or other means provided by law.

NOW, THEREFORE BE IT RESOLVED, by the governing body of the Atlantic City Municipal Utilities Authority, at an open public meeting held on October 17, 2007 that the Annual Budget, including appended Supplemental Schedules, and the Capital Budget/Program of Atlantic City Municipal Utilities Authority for the fiscal year beginning, January 1, 2008 and ending, December 31, 2008 is hereby approved; and

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

BE IT FURTHER RESOLVED, that the governing body of the Atlantic City Municipal Utilities Authority will consider the Annual Budget and Capital Budget/Program for adoption on December 19, 2007.

  
(Secretary's Signature)

October 17, 2007  
(Date)

| Governing Body Member:   | Recorded Vote |     |         |        |
|--------------------------|---------------|-----|---------|--------|
|                          | Aye           | Nay | Abstain | Absent |
| <b>Edmund J. Colanzi</b> | X             |     |         |        |
| <b>Hattie Marshall</b>   | X             |     |         |        |
| <b>Milton L. Smith</b>   | X             |     |         |        |
| <b>Dennis Mason</b>      | X             |     |         |        |
| <b>Gary L. Hill</b>      | X             |     |         |        |

**BUDGET MESSAGE 2008**  
**Atlantic City Municipal Utilities**  
(Name)

**AUTHORITY BUDGET**

FISCAL YEAR: FROM January 1, 2008 TO December 31, 2008

1. Complete a brief statement on the Atlantic City Municipal Utilities Authority proposed Annual Budget and make comparison to the current year's adopted budget. Explain significant increases or decreases, if any.

The 2008 proposed Budget is a fully funded Budget, providing for the continuation of all of the Authority's major programs. It shows a spending increase of about \$ 572,114 or 4 %. The Authority will meet its 2007 revenue projection for service charges, but is not predicting any increase in 2008. The Authority saw a substantial increase in interest revenues in 2007, and is predicting a \$200,000 increase over last year's projection. The Authority will also include an anticipated connection fee in the 2008 budget. The Authority normally does not include connection fees because they cannot be guaranteed, however, the Authority has an agreement for the payment of \$360,000 prior to May 1, 2008.

On the expenditure side, salaries are anticipated to increase by \$112,000 (2.2%). The overall increase in salaries has been tempered by the retirement of several senior employees and a reduction in unfilled positions. Pension expense (NJ PERS) will increase by \$110,000 (85%) due to recent action by the State Legislature to fund the State pension system. Health benefits will increase by about \$110,000 (7.3%). Chemicals used in the treatment process will increase by about \$65,500 (21%) due to a change in chemicals used in the treatment process and the resumption of fluoride treatment. The Authority found that, during certain conditions, the prior chemical treatment did not produce a result that would guarantee that the water supply would meet Federal standards. The change has produced exceptional results and the Authority will continue to use the new chemicals. The Authority also anticipates an increase in general insurance (liability, boiler and machinery, auto, theft, flood, storage tanks, etc.) of \$42,000 (9%) to match this year's experience. On the contrary side, the Authority expects a reduction in workers compensation insurance expense of \$72,000 (43%) due to an improvement in the Authority's safety record. The Authority has removed Granular Activity Carbon, \$90,000, from the 2008 budget, because the

Carbon was replaced in the Well 3 treatment units in 2007, and 100% of the carbon in the main treatment works will be replaced as part of the current contract to rehabilitate the treatment works.

The biggest increase is in debt service. This increase can be broken down into two (2) parts. The first is the repayment of a 2005 subordinated bond issue. This bond, \$ 3,895,000, will be repaid using unrestricted net assets. Excluding this repayment, debt service will increase by \$304,000 (12%). It is due to the first payment of the New Jersey Environment Infrastructure Loan, almost \$500,000. The Authority has been able to reduce the impact of this payment by it's plan to repay the short term bonds borrowed in 2005, a reduction of \$132,600 and the refunding issue for the 1999 bonds, a net reduction of \$66,000. The remainder was balanced by the use of connection fees in revenues, as discussed earlier. The remainder of the budget is balanced by a reduction in operating funds committed to renewal and replacement reserve, a reduction of \$180,000.

2. Complete a brief statement on the impact the proposed Annual Budget will have on Anticipated Revenues, especially service charges and on the general purpose/component unit financial statements. Explain significant increases or decreases, if any.

This combination of increases and decreases will leave the projected revenues from service charges with no change from 2007. Therefore, no rate increase for general water service will accompany the budget.

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

The local economy in Atlantic County is outstanding. The projections for growth in Atlantic City are high. There are currently three hotel towers, Borgata, Harrah's and Taj Mahal, under construction and anticipated to open in 2008 or 2009. Foundation work has begun on a new mega casino and 3 more are in the planning stage. The Walk is completing another stage of its expansion, bringing a needed amenity to Atlantic City.

4. Describe the reasons for utilizing Unrestricted Net Assets in the proposed Annual Budget, i.e. rate stabilization, debt service reduction, to balance the budget, etc.

In 2005, the Authority borrowed almost \$4,000,000 for needed capital projects. Almost 75% of the work is either completed, or expected to be completed by the end of 2007. The remainder of the work is under design and is expected to go out to bid during the next nine (9) months. This was a temporary bond, which comes due on January 1, 2008. The Authority

pursued temporary bonds, because the projection for new projects, and therefore connection fee revenues, was high but not guaranteed. The Authority did not want to commit to long term bonds that would negatively impact the ratepayer. After reviewing the Authority's capital plan, there are not sufficient unrestricted assets to fulfill the Capital Budget without another borrowing. However, those funds will not be needed during the first half of 2008. Since there is no difference in cost to the Authority, if the Bonds are rolled over in January, or reissued in the last half of the year, the Authority plans to use unrestricted assets to retire the Bonds, therefore reducing the 2008 operating budget, and wait to see if anticipated connection fees will reduce, or eliminate, the need for additional borrowing.

5. If the proposed Annual Budget contains an Accumulated Deficit either existing or anticipated, pursuant to N.J.S.A 40A:5A-12, then an explanation as to reasons for occurrence must be disclosed.

Not applicable.

2008

**AUTHORITY BUDGET**

WATER  
(OPERATION)

ATLANTIC CITY MUNICIPAL UTILITIES Authority

FISCAL YEAR: FROM JANUARY 1, 2008 TO DECEMBER 31, 2008

**---ANTICIPATED REVENUES---**

| <u>OPERATING REVENUES</u>       | <u>CROSS REF.</u> | <u>2008 PROPOSED BUDGET</u> | <u>2007 CURRENT YEAR'S ADOPTED BUDGET</u> |
|---------------------------------|-------------------|-----------------------------|---|
| SERVICE CHARGES                 | * A-1 *           | \$13,668,035 *              | \$13,669,225 *                            |
| CONNECTION FEES                 | * A-2 *           | \$360,000 *                 | *   |
| PARKING FEES                    | * A-3 *           | *                           | *   |
| OTHER OPERATING REVENUES        | * A-4 *           | \$50,720 *                  | \$47,800 *                                |
| <b>TOTAL OPERATING REVENUES</b> | * R-1 *           | <b>\$14,078,755 *</b>       | <b>\$13,717,025 *</b>                     |

| <u>NON-OPERATING REVENUES</u>       | <u>CROSS REF.</u> | <u>2008 PROPOSED BUDGET</u> | <u>2007 CURRENT YEAR'S ADOPTED BUDGET</u> |
|-------------------------------------|-------------------|-----------------------------|---|
| OPERATING GRANTS & ENTITLEMENTS     | * A-5 *           | *                           | *   |
| LOCAL SUBSIDIES & DONATIONS         | * A-6 *           | *                           | *   |
| INTEREST ON INVESTMENTS AND DEPOSIT | * A-7 *           | \$463,402 *                 | \$253,017 *                               |
| OTHER NON-OPERATING REVENUES        | * A-8 *           | *                           | *   |
| <b>TOTAL NON-OPERATING REVENUES</b> | * R-2 *           | <b>\$463,402 *</b>          | <b>\$253,017 *</b>                        |

|  |         |                       |                       |
|--|---------|-----------------------|-----------------------|
| <b>TOTAL ANTICIPATED REVENUES</b><br>(R-1 + R-2) | * B-1 * | <b>\$14,542,157 *</b> | <b>\$13,970,042 *</b> |
|--|---------|-----------------------|-----------------------|

**2008**

**AUTHORITY BUDGET**

WATER  
(OPERATION)

ATLANTIC CITY MUNICIPAL UTILITIES Authority

FISCAL YEAR: FROM JANUARY 1, 2008 TO DECEMBER 31, 2008

**---BUDGETED APPROPRIATIONS---**

**--OPERATING APPROPRIATIONS--**

| -----<br>ADMINISTRATION<br>----- | CROSS<br>REF. | 2008<br>PROPOSED<br>BUDGET      | 2007<br>CURRENT YEAR'S<br>ADOPTED<br>BUDGET |
|----------------------------------|---------------|---------------------------------|---|
| -----                            | -----         | -----                           | -----                                       |
| SALARY & WAGES                   | * *           | \$998,641 *                     | \$961,733 *                                 |
| FRINGE BENEFITS                  | * *           | \$477,288 *                     | \$453,524 *                                 |
| OTHER EXPENSES                   | * *           | \$549,500 *                     | \$542,332 *                                 |
| <b>TOTAL ADMINISTRATION</b>      | * E-1 *       | -----<br>\$2,025,429 *<br>----- | -----<br>\$1,957,589 *<br>-----             |

| -----<br>COST OF PROVIDING SERVICES<br>----- | CROSS<br>REF. | 2008<br>PROPOSED<br>BUDGET      | 2007<br>CURRENT YEAR'S<br>ADOPTED<br>BUDGET |
|--|---------------|---------------------------------|---|
| -----  | -----         | -----                           | -----                                       |
| SALARY & WAGES                               | * *           | \$4,195,880 *                   | \$4,120,306 *                               |
| FRINGE BENEFITS                              | * *           | \$2,099,504 *                   | \$1,927,545 *                               |
| OTHER EXPENSES                               | * *           | \$3,008,450 *                   | \$3,051,214 *                               |
| <b>TOTAL COST OF PROVIDING SERVICES</b>      | * E-2 *       | -----<br>\$9,303,834 *<br>----- | -----<br>\$9,099,065 *<br>-----             |

|   |         |                                 |                                 |
|---|---------|---------------------------------|---------------------------------|
| <b>TOTAL PRINCIPAL PAYMENTS ON DEBT<br/>SERVICE IN LIEU OF DEPRECIATION</b> | * D-1 * | -----<br>\$5,741,214 *<br>----- | -----<br>\$1,390,000 *<br>----- |
|---|---------|---------------------------------|---------------------------------|

|   |         |                                  |                                  |
|---|---------|----------------------------------|----------------------------------|
| <b>TOTAL OPERATING APPROPRIATIONS<br/>(E-1 + E-2 + D-1)</b> | * B-2 * | -----<br>\$17,070,477 *<br>===== | -----<br>\$12,446,654 *<br>===== |
|---|---------|----------------------------------|----------------------------------|

2008

**AUTHORITY BUDGET**

WATER  
(OPERATION)

ATLANTIC CITY MUNICIPAL UTILITIES Authority

FISCAL YEAR: FROM JANUARY 1, 2008 TO DECEMBER 31, 2008

**--BUDGETED APPROPRIATIONS--**

**--NON-OPERATING APPROPRIATIONS--**

|   |                |  | 2008<br>PROPOSED<br>BUDGET | 2007<br>CURRENT YEAR'S<br>ADOPTED<br>BUDGET |
|---|----------------|--|----------------------------|---|
|   | CROSS<br>REF.  |  | -----                      | -----                                       |
| TOTAL INTEREST PAYMENTS ON DEBT   | * D-2 *        |  | \$948,206 *                | \$1,002,823 *                               |
| OPERATIONS & MAINTENANCE RESERVE  | * * *          |  |                            |   |
| RENEWAL & REPLACEMENT RESERVE(S)  | * C-1 *        |  | \$368,474 *                | \$470,565 *                                 |
| MUNICIPALITY/COUNTY APPROPRIATION   | * * *          |  |                            |   |
| OTHER RESERVES  | * C-2 *        |  | \$50,000 *                 | \$50,000 *                                  |
| <b>TOTAL NON-OPERATING<br/>APPROPRIATIONS</b>   | <b>* B-3 *</b> |  | <b>\$1,366,680 *</b>       | <b>\$1,523,388 *</b>                        |
| ACCUMULATED DEFICIT   | * B-4 *        |  |                            |   |
| <b>TOTAL OPERATING &amp; NON-OPERATING<br/>APPROPRIATIONS &amp;<br/>ACCUMULATED DEFICIT<br/>(B-2 + B-3 + B-4)</b> | <b>* B-5 *</b> |  | <b>\$18,437,157 *</b>      | <b>\$13,970,042 *</b>                       |
| UNRESTRICTED NET ASSETS UTILIZED:   |                |  |                            |   |
| MUNICIPALITY/COUNTY APPROPRIATION   | * R-3a *       |  |                            |   |
| OTHER   | * R-3b *       |  | \$3,895,000 *              |   |
| <b>LESS: TOTAL UNRESTRICTED NET ASSETS<br/>UTILIZED (R-3a + R-3b)</b>   | <b>* R-3 *</b> |  | <b>\$3,895,000 *</b>       |   |
| <b>NET TOTAL APPROPRIATIONS<br/>(B-5 - R-3)</b>   | <b>* B-6 *</b> |  | <b>\$14,542,157 *</b>      | <b>\$13,970,042 *</b>                       |

# 2008 ADOPTION CERTIFICATION

## Atlantic City Municipal Utilities

(Name)

## AUTHORITY BUDGET

FISCAL YEAR: FROM January 1, 2008 TO December 31, 2008

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 Atlantic City Municipal Utilities Authority, pursuant to N.J.A.C. 5:31-2.3, on the 19 day of, December, 2007.



(Secretary's signature)

Hattie Marshall

(Print Name)

Vice Chairman/Secretary

(Title)

401 N. Virginia Avenue – P.O. Box 117

(Address)

Atlantic City, NJ 08401-0117

(City, State, Zip Code)

609-345-3315 ext. 16 / 609-345-7055

(Phone number)

(Fax number)

\_\_\_\_\_  
(Email Address)

2008

ATLANTIC CITY MUNICIPAL  
UTILITIES

AUTHORITY  
CAPITAL  
BUDGET/  
PROGRAM

**2008 CERTIFICATION of AUTHORITY CAPITAL  
BUDGET/PROGRAM**

**Atlantic City Municipal Utilities**

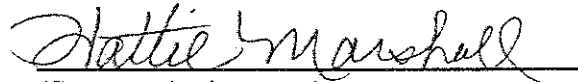
(Name)

FISCAL YEAR: FROM January 1, 2008 TO December 31, 2008

It is hereby certified that the Authority Capital Budget/Program annexed hereto is a true copy of the Capital Budget/Program approved, pursuant to N.J.A.C. 5:31-2.2, along with the Annual Budget, by the governing body of the Atlantic City Municipal Utilities Authority, on the 17 day of October, 2007.

**OR**

It is further certified that the governing body of the Atlantic City Municipal Authority have elected **NOT** to adopt a Capital Budget /Program for the aforesaid fiscal year, pursuant to N.J.A.C. 5:31-2.2 for the following reason(s): \_\_\_\_\_

  
(Secretary's signature)

Hattie Marshall  
(Print Name)

Vice Chairman/Secretary  
(Title)

401 N. Virginia Avenue – P.O. Box 117  
(Address)

Atlantic City, NJ 08401-0117  
(City, State, Zip Code)

609-345-3315 ext. 16 / 609-345-7055  
(Phone number) (Fax number)

\_\_\_\_\_  
(Email Address)

# 2008 Capital Budget/Program Message

## Atlantic City Municipal Utilities Authority

(Name)

FISCAL YEAR: FROM January 1, 2008 TO December 31, 2008

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?

No

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

Each project is initiated from the Master Plan (December 23, 2005), an Annual Engineering Report, or Staff Reports. The major capital projects are subject to engineering design and analysis, including cost effectiveness utilizing life cycle costs. All capital projects reflect the City's needs and Planning Board approvals in the City. They are consistent with the appropriate elements of the City's Master Plan.

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

Yes. The plan was completed in December 2005.

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

In 2005, the MUA borrowed \$4,000,000 for capital projects. The MUA agreed to borrow \$8,300,000 from the State Revolving Water Supply Loan program (interest rate approximately 1.25%). The MUA plans to utilize existing cash (unrestricted retained earnings or renewal and replacement reserve) to fund the balance of the projects. The two (2) borrowings will eventually cost the MUA about \$1,000,000 per year. Last year's rate increase funded over sixty (60%) percent of that amount. The 2005 borrowing will be repaid on January 1, 2008. The need to reborrow will be determined by connection fee income in 2008. If there is no additional borrowing, rates will remain stable.

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.

Unknown

2008

**AUTHORITY CAPITAL BUDGET**

WATER  
(OPERATION)

ATLANTIC CITY MUNICIPAL UTILITIES Authority

FISCAL YEAR: FROM JANUARY 1, 2008 TO DECEMBER 31, 2008

**PROPOSED YEAR'S CAPITAL IMPROVEMENT PLAN**

| PROJECTS                              | ESTIMATED<br>TOTAL COST | FUNDING SOURCES               |                                     |                       |                    |
|---------------------------------------|-------------------------|-------------------------------|-------------------------------------|-----------------------|--------------------|
|                                       |                         | UNRESTRICTED<br>NET<br>ASSETS | RENEWAL &<br>REPLACEMENT<br>RESERVE | DEBT<br>AUTHORIZATION | OTHER<br>SOURCES   |
| A. COMPUTERS                          | \$22,000                |                               | \$22,000                            |                       |                    |
| B. ENGINEERING                        | \$65,542                |                               | \$57,500                            | \$8,042               |                    |
| C. EQUIPMENT                          | \$614,969               |                               | \$262,145                           | \$352,824             |                    |
| D. VEHICLES                           | \$191,576               |                               | \$191,576                           |                       |                    |
| E. EMERGENCY<br>CAPITAL REPAIRS       | \$1,000,000             |                               | \$1,000,000                         |                       |                    |
| F. RENOVATION OF<br>EXIST. FACILITIES | \$4,207,530             | \$50,060                      | \$2,897,432                         | \$760,039             | \$500,000          |
| G. OFFICE COMPLEX                     | \$50,000                |                               |                                     |                       | \$50,000           |
| H. WATER TANKS                        | \$755,719               |                               | \$5,719                             |                       | \$750,000          |
| I. HYDRANT REPLACE.                   | \$229,042               |                               | \$229,042                           |                       |                    |
| J. VALVES                             | \$215,110               |                               | \$215,110                           |                       |                    |
| K. WATER MAINS                        | \$3,016,843             | \$12,300                      | \$934,925                           | \$1,119,618           | \$950,000          |
| L. METERS                             | \$559,448               |                               | \$559,448                           |                       |                    |
| M. PLANT EXPANSION<br>AND UPGRADE     | \$1,864,046             |                               |                                     | \$1,864,046           |                    |
| N. ASR WELLS                          | \$1,500,000             |                               | \$250,000                           | \$500,000             | \$750,000          |
| <b>TOTAL</b>                          | <b>\$14,291,825</b>     | <b>\$62,360</b>               | <b>\$6,624,896</b>                  | <b>\$4,604,569</b>    | <b>\$3,000,000</b> |

2008

**AUTHORITY CAPITAL PROGRAM**

WATER  
(OPERATION)

ATLANTIC CITY MUNICIPAL UTILITIES Authority

FISCAL YEAR: FROM JANUARY 1, 2008 TO DECEMBER 31, 2008

**5 YEAR CAPITAL IMPROVEMENT PLAN COSTS**

| <u>PROJECTS</u>                     | <u>ESTIMATED<br/>TOTAL COST</u> | <u>2009</u>                 | <u>2010</u>                 | <u>2011</u>                 | <u>2012</u>                 | <u>2013</u>                 |
|-------------------------------------|---------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| A. COMPUTERS                        | \$125,000                       | \$25,000                    | \$25,000                    | \$25,000                    | \$25,000                    | \$25,000                    |
| B. ENGINEERING                      | \$250,000                       | \$50,000                    | \$50,000                    | \$50,000                    | \$50,000                    | \$50,000                    |
| C. EQUIPMENT                        | \$1,750,000                     | \$350,000                   | \$350,000                   | \$350,000                   | \$350,000                   | \$350,000                   |
| D. VEHICLES                         | \$1,000,000                     | \$150,000                   | \$175,000                   | \$200,000                   | \$225,000                   | \$250,000                   |
| E. EMERGENCY<br>CAPITAL REPAIRS     | \$1,000,000                     | \$200,000                   | \$200,000                   | \$200,000                   | \$200,000                   | \$200,000                   |
| F. RENOVATION OF<br>EXIST. FACILITY | \$3,750,000                     | \$750,000                   | \$750,000                   | \$750,000                   | \$750,000                   | \$750,000                   |
| G. OFFICE COMPL                     | \$250,000                       | \$50,000                    | \$50,000                    | \$50,000                    | \$50,000                    | \$50,000                    |
| H. HYDRANT<br>REPLACEMENT           | \$1,000,000                     | \$200,000                   | \$200,000                   | \$200,000                   | \$200,000                   | \$200,000                   |
| I. VALVES                           | \$1,000,000                     | \$200,000                   | \$200,000                   | \$200,000                   | \$200,000                   | \$200,000                   |
| J. WATER MAINS                      | \$5,000,000                     | \$1,000,000                 | \$1,000,000                 | \$1,000,000                 | \$1,000,000                 | \$1,000,000                 |
| K. METERS                           | \$1,000,000                     | \$200,000                   | \$200,000                   | \$200,000                   | \$200,000                   | \$200,000                   |
| L. PLANT EXPAN<br>ASR WELLS         | \$3,000,000<br>\$1,500,000      | \$1,000,000<br>\$750,000    | \$500,000<br>\$750,000      | \$500,000                   | \$500,000                   | \$500,000                   |
| <b>TOTAL</b>                        | <b>\$20,625,000</b><br>=====    | <b>\$4,925,000</b><br>===== | <b>\$4,450,000</b><br>===== | <b>\$3,725,000</b><br>===== | <b>\$3,750,000</b><br>===== | <b>\$3,775,000</b><br>===== |

2008

**AUTHORITY CAPITAL PROGRAM**

WATER  
(OPERATION)

ATLANTIC CITY MUNICIPAL UTILITIES Authority

FISCAL YEAR: FROM JANUARY 1, 2008 TO DECEMBER 31, 2008

5 YEAR CAPITAL PLAN FUNDING SOURCES: From 2009 to 2013

| PROJECTS                              | ESTIMATED<br>TOTAL COST | FUNDING SOURCES               |                                     |                       |                  |
|---------------------------------------|-------------------------|-------------------------------|-------------------------------------|-----------------------|------------------|
|                                       |                         | UNRESTRICTED<br>NET<br>ASSETS | RENEWAL &<br>REPLACEMENT<br>RESERVE | DEBT<br>AUTHORIZATION | OTHER<br>SOURCES |
| A. COMPUTER<br>EQUIPMENT              | \$125,000               |                               | \$125,000                           |                       |                  |
| B. ENGINEERING                        | \$250,000               |                               | \$250,000                           |                       |                  |
| C. EQUIPMENT                          | \$1,750,000             | \$500,000                     | \$1,250,000                         |                       |                  |
| D. VEHICLES                           | \$1,000,000             |                               | \$1,000,000                         |                       |                  |
| E. EMERGENCY<br>CAPITAL REPAIRS       | \$1,000,000             |                               | \$1,000,000                         |                       |                  |
| F. RENOVATION OF<br>EXIST. FACILITIES | \$3,750,000             | \$500,000                     | \$2,250,000                         | \$1,000,000           |                  |
| G. OFFICE COMPLEX                     | \$250,000               |                               | \$250,000                           |                       |                  |
| H. HYDRANT<br>REPLACEMENT             | \$1,000,000             |                               | \$1,000,000                         |                       |                  |
| I. VALVES                             | \$1,000,000             |                               | \$1,000,000                         |                       |                  |
| J. WATER MAINS                        | \$5,000,000             |                               | \$3,000,000                         | \$2,000,000           |                  |
| K. METERS                             | \$1,000,000             |                               | \$1,000,000                         |                       |                  |
| L. PLANT EXPAND                       | \$3,000,000             | \$500,000                     | \$500,000                           | \$2,000,000           |                  |
| M. ASR WELLS                          | \$1,500,000             | \$750,000                     | \$250,000                           | \$500,000             |                  |
| <b>TOTAL</b>                          | <b>\$20,625,000</b>     | <b>\$2,250,000</b>            | <b>\$12,875,000</b>                 | <b>\$5,500,000</b>    |                  |

2008  
ATLANTIC CITY MUNICIPAL  
UTILITIES  
AUTHORITY

SUPPLEMENTAL SCHEDULES

STATE OF NEW JERSEY

DIVISION OF LOCAL GOVERNMENT SERVICES

2008

**AUTHORITY BUDGET**  
**SUPPLEMENTAL SCHEDULES**

WATER  
 (OPERATION)

ATLANTIC CITY MUNICIPAL UTILITIES Authority

FISCAL YEAR: FROM JANUARY 1, 2008 TO DECEMBER 31, 2008

==== OPERATING REVENUES ====

| ---SERVICE CHARGES---        | CROSS<br>REF. | #<br>UNITS | 2008<br>PROPOSED<br>ANNUAL<br>COLLECTION | #<br>UNITS | 2007<br>CURRENT YEAR'S<br>ADOPTED<br>BUDGET |
|------------------------------|---------------|------------|--|------------|---|
| RESIDENTIAL                  | *             | 18997      | \$3,448,410                              | 18944      | \$3,527,830                                 |
| BUSINESS/COMMERCIAL          | *             | 1080       | \$1,923,073                              | 1085       | \$2,087,056                                 |
| INDUSTRIAL                   | *             | 134        | \$8,125,832                              | 131        | \$7,856,216                                 |
| INTERGOVERNMENTAL            | *             | 103        | \$170,720                                | 105        | \$198,123                                   |
| OTHER                        | *             |            |  |            |   |
| <b>TOTAL SERVICE CHARGES</b> | <b>* A-1</b>  |            | <b>\$13,668,035</b>                      |            | <b>\$13,669,225</b>                         |

| ---CONNECTION FEES---        | CROSS<br>REF. | #<br>UNITS | 2008<br>PROPOSED<br>ANNUAL<br>COLLECTION | #<br>UNITS | 2007<br>CURRENT YEAR'S<br>ADOPTED<br>BUDGET |
|------------------------------|---------------|------------|--|------------|---|
| RESIDENTIAL                  | *             |            |  |            |   |
| BUSINESS/COMMERCIAL          | *             |            |  |            |   |
| INDUSTRIAL                   | *             |            | \$360,000                                |            |   |
| INTERGOVERNMENTAL            | *             |            |  |            |   |
| OTHER                        | *             |            |  |            |   |
| <b>TOTAL CONNECTION FEES</b> | <b>* A-2</b>  |            | <b>\$360,000</b>                         |            |   |

INCLUDE ALL APPLICABLE RATE SCHEDULES TO SUPPORT SUCH FEES

2008

**AUTHORITY BUDGET**  
**SUPPLEMENTAL SCHEDULES**

WATER  
 (OPERATION)

ATLANTIC CITY MUNICIPAL UTILITIES Authority

FISCAL YEAR: FROM JANUARY 1, 2008 TO DECEMBER 31, 2008

==== OPERATING REVENUES ====

| ---PARKING FEES---        | CROSS<br>REF. | #<br>UNITS | 2008<br>PROPOSED<br>ANNUAL<br>COLLECTION | #<br>UNITS | 2007<br>CURRENT YEAR'S<br>ADOPTED<br>BUDGET |
|---------------------------|---------------|------------|--|------------|---|
| METERS                    | *             | *          |  | *          | *   |
| PERMITS                   | *             | *          |  | *          | *   |
| TICKETS/FINES/PENALTIES   | *             | *          |  | *          | *   |
| OTHER                     | *             | *          |  | *          | *   |
| <b>TOTAL PARKING FEES</b> | <b>*</b>      | <b>A-3</b> |  | <b>*</b>   | <b>*</b>                                    |

| ---OTHER OPERATING REVENUES---                         | CROSS<br>REF. |            | 2008<br>PROPOSED<br>ANNUAL<br>COLLECTION |          | 2007<br>CURRENT YEAR'S<br>ADOPTED<br>BUDGET |
|--|---------------|------------|--|----------|---|
| <b>LIST IN DETAIL:</b>                                 |               |            |  |          |   |
| DISC. INCOME FROM<br>COPYING FEES AND OTHER<br>CHARGES | *             | *          | \$5,120                                  | *        | \$7,100                                     |
| TELEPHONE LEASE<br>CHARGE TO SEWER COMPANY             | *             | *          | \$25,200                                 | *        | \$20,300                                    |
| FOR CONSUMPTION RECORDS                                | *             | *          | \$10,400                                 | *        | \$10,400                                    |
| LEASE OF EASEMENT                                      | *             | *          | \$10,000                                 | *        | \$10,000                                    |
| <b>TOTAL OTHER REVENUES</b>                            | <b>*</b>      | <b>A-4</b> | <b>\$50,720</b>                          | <b>*</b> | <b>\$47,800</b>                             |

INCLUDE ALL APPLICABLE RATE SCHEDULES TO SUPPORT SUCH FEES

2008

**AUTHORITY BUDGET**  
SUPPLEMENTAL SCHEDULES

WATER  
(OPERATION)

ATLANTIC CITY MUNICIPAL UTILITIES Authority

FISCAL YEAR: FROM JANUARY 1, 2008 TO DECEMBER 31, 2008

==== NON-OPERATING REVENUES ====

---GRANTS &---  
---ENTITLEMENTS---

2007  
CURRENT YEAR'S  
ADOPTED  
BUDGET

CROSS  
REF.                      2008  
PROPOSED  
BUDGET

LIST IN DETAIL:

|   |   |  |   |   |
|---|---|--|---|---|
| * | * |  | * | * |
| * | * |  | * | * |
| * | * |  | * | * |
| * | * |  | * | * |

TOTAL GRANTS & ENT.

|   |     |       |       |       |
|---|-----|-------|-------|-------|
| * | A-5 | *     | *     | *     |
|   |     | ===== | ===== | ===== |

---LOCAL SUBSIDIES---  
---& DONATIONS---

2007  
CURRENT YEAR'S  
ADOPTED  
BUDGET

CROSS  
REF.                      2008  
PROPOSED  
BUDGET

LIST IN DETAIL:

|   |   |  |   |   |
|---|---|--|---|---|
| * | * |  | * | * |
| * | * |  | * | * |
| * | * |  | * | * |
| * | * |  | * | * |

TOTAL SUB. & DONATIONS

|   |     |       |       |       |
|---|-----|-------|-------|-------|
| * | A-6 | *     | *     | *     |
|   |     | ===== | ===== | ===== |

2008

**AUTHORITY BUDGET**  
SUPPLEMENTAL SCHEDULES

WATER  
(OPERATION)

ATLANTIC CITY MUNICIPAL UTILITIES Authority

FISCAL YEAR: FROM JANUARY 1, 2008 TO DECEMBER 31, 2008

==== NON-OPERATING REVENUES ====

--INTEREST ON INVESTMENTS--  
---AND DEPOSITS---

|   | CROSS<br>REF. | 2008<br>PROPOSED<br>BUDGET | 2007<br>CURRENT YEAR'S<br>ADOPTED<br>BUDGET |
|---|---------------|----------------------------|---|
| INVESTMENTS                                 | * *           | \$463,402 *                | \$253,017 *                                 |
| SECURITY DEPOSITS                           | * *           | *                          | *   |
| PENALTIES                                   | * *           | *                          | *   |
| OTHER INVESTMENTS                           | * *           | *                          | *   |
| TOTAL INTEREST ON<br>INVESTMENTS & DEPOSITS | * A-7 *       | \$463,402 *                | \$253,017 *                                 |

--OTHER NON-OPERATING REVENUES--

|                      | CROSS<br>REF. | 2008<br>PROPOSED<br>BUDGET | 2007<br>CURRENT YEAR'S<br>ADOPTED<br>BUDGET |
|----------------------|---------------|----------------------------|---|
| LIST IN DETAIL:      | * *           | *                          | *   |
|                      | * *           | *                          | *   |
|                      | * *           | *                          | *   |
|                      | * *           | *                          | *   |
|                      | * *           | *                          | *   |
| TOTAL OTHER REVENUES | * A-8 *       | *                          | *   |

2008

**AUTHORITY BUDGET**  
SUPPLEMENTAL SCHEDULES

WATER  
(OPERATION)

ATLANTIC CITY MUNICIPAL UTILITIES Authority

FISCAL YEAR: FROM JANUARY 1, 2008 TO DECEMBER 31, 2008

==== NON-OPERATING APPROPRIATIONS ====

| ---RENEWAL &---<br>--REPLACEMENT RESERVE(S)---        | CROSS<br>REF. | 2008<br>PROPOSED<br>BUDGET | 2007<br>CURRENT YEAR'S<br>ADOPTED<br>BUDGET |
|---|---------------|----------------------------|---|
| <b>LIST IN DETAIL:</b>                                |               |                            |   |
| RENEWAL AND REPLACEMENT<br>RESERVE                    | * *           | \$368,474 *                | \$470,565 *                                 |
|   | * *           |                            |   |
|   | * *           |                            |   |
|   | * *           |                            |   |
| <b>TOTAL RENEWAL &amp;<br/>REPLACEMENT RESERVE(S)</b> | * C-1 *       | \$368,474 *                | \$470,565 *                                 |
| <b>---OTHER RESERVES---</b>                           |               |                            |   |
|   | CROSS<br>REF. | 2008<br>PROPOSED<br>BUDGET | 2007<br>CURRENT YEAR'S<br>ADOPTED<br>BUDGET |
| <b>LIST IN DETAIL:</b>                                |               |                            |   |
| PROVISION FOR DOUBTFUL<br>ACCOUNTS                    | * *           | \$50,000 *                 | \$50,000 *                                  |
|   | * *           |                            |   |
|   | * *           |                            |   |
|   | * *           |                            |   |
| <b>TOTAL OTHER RESERVES</b>                           | * C-2 *       | \$50,000 *                 | \$50,000 *                                  |

2008

**AUTHORITY BUDGET**  
SUPPLEMENTAL SCHEDULES

WATER  
(OPERATION)

ATLANTIC CITY MUNICIPAL UTILITIES Authority

FISCAL YEAR: FROM JANUARY 1, 2008 TO DECEMBER 31, 2008

==== BUDGETED DEBT SERVICE REQUIREMENTS ====

--PRINCIPAL PAYMENTS--

|                                 | CROSS<br>REF.  | 2008<br>PROPOSED<br>BUDGET | 2007<br>CURRENT YEAR'S<br>ADOPTED<br>BUDGET |
|---------------------------------|----------------|----------------------------|---|
| AUTHORITY NOTES                 | * P-1 *        |                            |   |
| AUTHORITY BONDS                 | * P-2 *        | \$5,741,214                | \$1,390,000                                 |
| CAPITAL LEASES                  | * P-3 *        |                            |   |
| INTERGOVERN. LOANS              | * P-4 *        |                            |   |
| OTHER OBLIGATIONS               | * P-5 *        |                            |   |
| <b>TOTAL PRINCIPAL PAYMENTS</b> | <b>* D-1 *</b> | <b>\$5,741,214</b>         | <b>\$1,390,000</b>                          |

--INTEREST PAYMENTS--

|                                | CROSS<br>REF.  | 2008<br>PROPOSED<br>BUDGET | 2007<br>CURRENT YEAR'S<br>ADOPTED<br>BUDGET |
|--------------------------------|----------------|----------------------------|---|
| AUTHORITY NOTES                | * I-1 *        |                            |   |
| AUTHORITY BONDS                | * I-2 *        | \$948,206                  | \$1,002,823                                 |
| CAPITAL LEASES                 | * I-3 *        |                            |   |
| INTERGOVERN. LOANS             | * I-4 *        |                            |   |
| OTHER OBLIGATIONS              | * I-5 *        |                            |   |
| <b>TOTAL INTEREST PAYMENTS</b> | <b>* D-2 *</b> | <b>\$948,206</b>           | <b>\$1,002,823</b>                          |

2008

**AUTHORITY BUDGET**

WATER  
(OPERATION)

SUPPLEMENTAL SCHEDULES

ATLANTIC CITY MUNICIPAL UTILITIES Authority

FISCAL YEAR: FROM JANUARY 1, 2008 TO DECEMBER 31, 2008

5 YEAR DEBT SERVICE SCHEDULE

PRINCIPAL PAYMENTS

|                                     | YEARS           |               |               |               |               |
|-------------------------------------|-----------------|---------------|---------------|---------------|---------------|
|                                     | 2008            | 2009          | 2010          | 2011          | 2012          |
| -AUTHORITY NOTES--                  | *               | *             | *             | *             | *             |
| TOTAL PAYMENTS P-1                  | *               | *             | *             | *             | *             |
| -AUTHORITY BONDS--                  |                 |               |               |               |               |
| 002 BOND PRINCIPAL                  | * \$1,210,000   | \$1,265,000   | \$1,330,000   | \$1,380,000   | \$1,445,000 * |
| 999 BOND PRINCIPAL                  | * \$235,000     | \$245,000     |               |               | *             |
| 005 SUBORD BOND PRINCIPAL           | * \$3,895,000   |               |               |               | *             |
| 005 NJEIT TRUST/FUND LOAN PRINCIPAL | * \$277,346     | \$287,435     | \$281,982     | \$290,618     | \$284,710 *   |
| 006 NJEIT TRUST/FUND LOAN PRINCIPAL | * \$123,868     | \$122,039     | \$120,210     | \$118,381     | \$116,094 *   |
| 007 REFUNDING BONDS                 | *               |               | \$45,000      | \$310,000     | \$325,000 *   |
| TOTAL PAYMENTS P-2                  | * \$5,741,214 * | \$1,919,474 * | \$1,777,192 * | \$2,098,999 * | \$2,170,804 * |
| AUTHORITY CAPITAL LEASES--          |                 |               |               |               |               |
|                                     | *               | *             | *             | *             | *             |
|                                     | *               | *             | *             | *             | *             |
|                                     | *               | *             | *             | *             | *             |
| TOTAL PAYMENTS P-3                  | *               | *             | *             | *             | *             |
| AUTHORITY INTERGOVERNMENTAL LOANS-- |                 |               |               |               |               |
|                                     | *               | *             | *             | *             | *             |
|                                     | *               | *             | *             | *             | *             |
|                                     | *               | *             | *             | *             | *             |
| TOTAL PAYMENTS P-4                  | *               | *             | *             | *             | *             |
| AUTHORITY OBLIGATIONS (LIST):--     |                 |               |               |               |               |
|                                     | *               | *             | *             | *             | *             |
|                                     | *               | *             | *             | *             | *             |
|                                     | *               | *             | *             | *             | *             |
| TOTAL PAYMENTS P-5                  | *               | *             | *             | *             | *             |
| TOTAL PRINCIPAL<br>BT PAYMENTS SS-6 | * \$5,741,214 * | \$1,919,474 * | \$1,777,192 * | \$2,098,999 * | \$2,170,804 * |

2008

**AUTHORITY BUDGET**

WATER  
(OPERATION)

SUPPLEMENTAL SCHEDULES

ATLANTIC CITY MUNICIPAL UTILITIES Authority

FISCAL YEAR: FROM JANUARY 1, 2008 TO DECEMBER 31, 2008

5 YEAR DEBT SERVICE SCHEDULE

INTEREST PAYMENTS

|                                     | YEARS         |             |             |             |             |
|-------------------------------------|---------------|-------------|-------------|-------------|-------------|
|                                     | 2008          | 2009        | 2010        | 2011        | 2012        |
| -AUTHORITY NOTES--                  | *             | *           | *           | *           | *           |
| TOTAL PAYMENTS I-1                  | *             | *           | *           | *           | *           |
|                                     | *             | *           | *           | *           | *           |
|                                     | *             | *           | *           | *           | *           |
| -AUTHORITY BONDS--                  |               |             |             |             |             |
| 002 BOND INTEREST                   | * \$475,143   | \$423,306   | \$366,500   | \$308,975   | \$248,863 * |
| 999 BOND INTEREST                   | * \$16,166    | \$5,513     |             |             | *           |
| 005 SUBORD BOND INTEREST            | *             |             |             |             | *           |
| 005 NJEIT TRUST/FUND LOAN INTERES   | * \$66,592    | \$64,375    | \$61,375    | \$58,313    | \$55,062 *  |
| 006 NJEIT TRUST/FUND LOAN INTERES   | * \$28,717    | \$27,800    | \$26,800    | \$25,737    | \$24,488 *  |
| 007 REFUNDING BONDS INTEREST        | * \$361,588   | \$361,588   | \$360,688   | \$353,588   | \$340,888 * |
| TOTAL PAYMENTS I-2                  | * \$948,206 * | \$882,582 * | \$815,363 * | \$746,613 * | \$669,301 * |
| AUTHORITY CAPITAL LEASES--          |               |             |             |             |             |
|                                     | *             | *           | *           | *           | *           |
|                                     | *             | *           | *           | *           | *           |
|                                     | *             | *           | *           | *           | *           |
| TOTAL PAYMENTS I-3                  | *             | *           | *           | *           | *           |
| AUTHORITY INTERGOVERNMENTAL LOANS-- |               |             |             |             |             |
|                                     | *             | *           | *           | *           | *           |
|                                     | *             | *           | *           | *           | *           |
|                                     | *             | *           | *           | *           | *           |
| TOTAL PAYMENTS I-4                  | *             | *           | *           | *           | *           |
| AUTHORITY OBLIGATIONS (LIST):--     |               |             |             |             |             |
|                                     | *             | *           | *           | *           | *           |
|                                     | *             | *           | *           | *           | *           |
|                                     | *             | *           | *           | *           | *           |
| TOTAL PAYMENTS I-5                  | *             | *           | *           | *           | *           |
| TOTAL INTEREST                      |               |             |             |             |             |
| TOTAL PAYMENTS SS-6                 | * \$948,206 * | \$882,582 * | \$815,363 * | \$746,613 * | \$669,301 * |

ATLANTIC CITY MUNICIPAL UTILITIES Authority

WATER  
(OPERATION)

AUTHORITY BUDGET  
SUPPLEMENTAL SCHEDULES

FISCAL YEAR: FROM JANUARY 1, 2008 TO DECEMBER 31, 2008

|   |  |   |   |               |
|---|--|---|---|---------------|
| (1) PY UNRESTRICTED NET ASSETS  | PY AUDIT                               | * | * | \$1,706,398 * |
| <b>ADJUSTMENTS DURING CURRENT YEAR</b>                                |  |   |   |               |
| (a) EST. NET INCOME OR (LOSS) ON CURRENT YEAR'S RESULTS OF OPERATIONS |  | * | * | \$1,705,112   |
| (Include unbudgeted use of unrestricted net assets)                   |  |   |   |               |
| (b) ADJUSTMENTS: OTHER (Attach list):                                 |  | * | * |               |
| (2) SUBTOTAL - ADJUSTMENTS  | (ADD AMOUNTS ON LINES a-b)             |   | * | \$1,705,112 * |
| (3) ADD LINES 1 AND 2   |  |   | * | \$3,411,510 * |
| <b>CURRENT YEAR ESTIMATED CHANGES IN RESTRICTIONS</b>                 |  |   |   |               |
| (attach documentation)  |  |   |   |               |
| (c) DEBT SERVICE  |  | * | * | (\$263,763)   |
| (d) MAINTENANCE RESERVE   |  | * | * |               |
| (e) OPERATING REQUIREMENT   |  | * | * |               |
| (f) OTHER LEGAL RESERVATIONS  |  | * | * |               |
| (4) SUB-TOTAL - RESTRICTIONS  | (ADD AMOUNTS ON LINES c-f)             |   | * | (263,763) *   |
| <b>DESIGNATIONS (attach documentation)</b>                            |  |   |   |               |
| (g) NON-OPERATING IMPROVEMENTS & REPAIRS (CB-4&5)                     |  | * | * | (\$300,000)   |
| (h) CONTRIBUTION TO RATE STABILIZATION PLAN (#)                       |  | * | * |               |
| (i) OTHER BOARD DESIGNATION   |  | * | * |               |
| (j) ADJUSTMENTS /OTHER (Attach list):                                 |  | * | * |               |
| (5) SUBTOTAL - DESIGNATIONS   | (ADD AMOUNTS ON LINES g-i)             |   | * | (\$300,000) * |
| (6) ADD LINES 4 and 5   |  |   | * | (\$563,763) * |
| (7) UNRESTRICTED NET ASSETS AVAILABLE FOR USE IN PROPOSED BUDGET      | (SUBTRACT LINE 6 FROM LINE 3)          |   | * | \$3,975,273 * |
| <b>PROPOSED UTILIZATION OF AVAILABLE UNRESTRICTED NET ASSETS</b>      |  |   |   |               |
| (8) AS REVENUE IN ANNUAL BUDGET (PAGE 6, LINE R-3b)                   |  | * | * | \$3,895,000   |
| (9) FOR CURRENT YEAR CAPITAL BUDGET (PAGE CB-3)                       |  | * | * | \$62,360      |
| (10) SUBTOTAL - U/R NET ASSETS UTILIZED                               | (ADD AMOUNTS ON LINES 8-9)             |   | * | \$3,957,360 * |
| (11) MAXIMUM ALLOWABLE FOR APPROPRIATION TO MUNICIPALITY/COUNTY       |  |   |   |               |
| (Budget Item B-2 times 5%)  | <u>\$853,524</u>                       |   |   |               |
| (12) AS APPROPRIATED TO MUNICIPALITY/COUNTY (PAGE 6, LINE R-3a)       |  |   | * | *             |
| (13) TOTAL UNRESTRICTED/UNDESIGNATED NET ASSETS                       | (SUBTRACT LINES 10 AND 12 FROM LINE 7) |   | * | \$17,913 *    |

609-345-3315 EXT 16 / 609-345-7055  
Phone #/ Fax#

CERTIFIED BY:

EXECUTIVE DIRECTOR

DATE:

10/17/07

PAGE SS-9

(#) Explain in detail in the Budget Message

NOTES TO ACCOMPANY SS-9

**CURRENT YEAR ESTIMATED CHANGES IN RESTRICTIONS**

- (c) **DEBT SERVICE:** Restrictions for Debt service will be reduced by \$263,763. In 2006, the ACMUA had a subordinated bond issue that required a reserve for Debt service. That bond will be paid off on January 1, 2008 and the reserve will be used as part of the funds necessary to pay off the bond. It will become an unrestricted net asset, and utilized under line (8) of page SS-9, which provides all funds, used to pay off the \$3,895,000 subordinated bond.

**DESIGNATIONS (attach documentation)**

- (g) **NON-OPERATING IMPROVEMENTS & REPAIRS (CB-4&5):** Restrictions for capital improvements will be reduced by \$300,000. During 2007, the MUA completed several capital projects and is able to transfer funds previously restricted.