

STATE OF NEW JERSEY
DEPARTMENT OF COMMUNITY AFFAIRS
DIVISION OF LOCAL GOVERNMENT SERVICES
BUREAU OF AUTHORITY REGULATION
TRENTON, N.J.

Pequannock, Lincoln Park, and Fairfield Sewerage Authority

Provides Sewer Services for Morris, Essex, and Passaic Counties

**Budget Resolution 2023-058 Amendment
Dated 12/13/2023 to amend the FY 2023-2024 Budget**

It is hereby certified that the amendment attached hereto complies with law requirements, and approval is given according to N.J.A.C. 5:31-2.8.

Department of Community Affairs
Division of Local Government Services

By



Paul D. Ewert, CPA, RMA

Supervising Municipal Finance Auditor

For: Director of the Division of Local Government Services

February 22, 2024

Attachments

RESOLUTION #23-058

FY 2024 BUDGET – AMENDMENT NO. 1

**REQUEST FOR CHANGE IN TITLE, TEXT OR AMOUNT
OF APPROPRIATION PURSUANT TO N.J.A.C. 5:31-2.8**

WHEREAS, N.J.A.C. 5:31-2.8 provides that the Director of the Division of Local Government Services may, at the request of, or with the consent of, the governing body of an Authority or District, make such correction of the title, text or amount of any appropriation appearing in the budget as may be necessary to make said item of appropriation available for the purpose or purposes required for the needs of any such Authority or District;

NOW THEREFORE, Be It Resolved that in accordance with the provisions of N.J.A.C. 5:31-2.8, the Pequannock, Lincoln Park and Fairfield Sewerage Authority hereby requests the Director of the Division of Local Government Services to make the following corrections in the budget for the year 2024:

1. Increase the Appropriations for “Unrestricted Net Position Utilized - Other” category, on page F-4 as follows:

From: \$ 0
To: \$ 441,830

2. Decrease the Operating Revenues for the “Services Charges - Intergovernmental” category on page F-2 as follows:

From: \$ 12,466,601
To: \$ 12,024,771

BE IT FURTHER RESOLVED that the foregoing correction is, in the opinion of the governing body, warranted and authorized by the statute above referred to, and is necessary for the orderly operation of the Authority for the reasons hereinafter set forth:

1. The \$441,830.00 increase in Appropriations is being made from available surplus funds and will facilitate a reduction in annual charges.

2. The \$441,830.00 decrease in Revenues is a result of end of year credits and adjustments of FY 2023 user charges and refunds of surplus funds that will be credited in FY 2024.


(Secretary's Signature)

December 13, 2023
(Date)

Governing Body Member:	Recorded Vote			
	Aye	Nay	Abstain	Absent
David Kohle	X			
David Runfeldt	X			
Jerry Notte	X			
Raymond Verdonik	X			
Arthur Schmidt	X			
Thomas Boorady	X			
Anthony G. Campisi, Jr.				X
Robert Voorman	X			

SUMMARY

Pequannock-Lincoln Park-Fairfield Sewerage Authority
For the Period: December 01, 2023 to November 30, 2024

	FY 2024 Proposed Budget						FY 2023 Adopted Budget	<i>\$ Increase (Decrease) Proposed vs. Adopted</i>	<i>% Increase (Decrease) Proposed vs. Adopted</i>
	Operation #1	N/A	N/A	N/A	N/A	N/A	Total All Operations	Total All Operations	All Operations All Operations
REVENUES									
Total Operating Revenues	\$ 12,069,271	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,069,271	\$ 12,042,551	\$ 26,720 0.2%
Total Non-Operating Revenues	280,000	-	-	-	-	-	280,000	20,000	260,000 1300.0%
Total Anticipated Revenues	12,349,271	-	-	-	-	-	12,349,271	12,062,551	286,720 2.4%
APPROPRIATIONS									
Total Administration	943,600	-	-	-	-	-	943,600	901,920	41,680 4.6%
Total Cost of Providing Services	7,732,940	-	-	-	-	-	7,732,940	7,824,020	(91,080) -1.2%
Total Principal Payments on Debt Service in Lieu of Depreciation	1,955,187	-	-	-	-	-	1,955,187	1,959,239	(4,052) -0.2%
Total Operating Appropriations	10,631,727	-	-	-	-	-	10,631,727	10,685,179	(53,452) -0.5%
Total Interest Payments on Debt	256,569	-	-	-	-	-	256,569	289,172	(32,603) -11.3%
Total Other Non-Operating Appropriations	1,902,805	-	-	-	-	-	1,902,805	1,361,946	540,859 39.7%
Total Non-Operating Appropriations	2,159,374	-	-	-	-	-	2,159,374	1,651,118	508,256 30.8%
Accumulated Deficit	-	-	-	-	-	-	-	-	- #DIV/0!
Total Appropriations and Accumulated Deficit	12,791,101	-	-	-	-	-	12,791,101	12,336,297	454,804 3.7%
Less: Total Unrestricted Net Position Utilized	441,830	-	-	-	-	-	441,830	273,746	168,084 61.4%
Net Total Appropriations	12,349,271	-	-	-	-	-	12,349,271	12,062,551	286,720 2.4%
ANTICIPATED SURPLUS (DEFICIT)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ - #DIV/0!

Revenue Schedule

Pequannock-Lincoln Park-Fairfield Sewerage Authority
For the Period: December 01, 2023 to November 30, 2024

<i>FY 2024 Proposed Budget</i>							<i>FY 2023</i>	<i>\$ Increase</i>	<i>% Increase</i>
							<i>Adopted</i>	<i>(Decrease)</i>	<i>(Decrease)</i>
							<i>Budget</i>	<i>Proposed vs.</i>	<i>Proposed vs.</i>
								<i>Adopted</i>	<i>Adopted</i>
							<i>Total All</i>	<i>Total All</i>	<i>Total All</i>
							<i>Operations</i>	<i>Operations</i>	<i>Operations</i>
Operation #1	N/A	N/A	N/A	N/A	N/A	Total All Operations			
OPERATING REVENUES									
<i>Service Charges</i>									
Residential						\$ -	\$ -	\$ -	#DIV/0!
Business/Commercial						-	-	-	#DIV/0!
Industrial						-	-	-	#DIV/0!
Intergovernmental	12,024,771					12,024,771	11,998,051	26,720	0.2%
Other						-	-	-	#DIV/0!
Total Service Charges	12,024,771	-	-	-	-	12,024,771	11,998,051	26,720	0.2%
<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>									
Miscellaneous	500					500	500	-	0.0%
Industrial Permits	44,000					44,000	44,000	-	0.0%
						-	-	-	#DIV/0!
						-	-	-	#DIV/0!
						-	-	-	#DIV/0!
						-	-	-	#DIV/0!
						-	-	-	#DIV/0!
						-	-	-	#DIV/0!
						-	-	-	#DIV/0!
						-	-	-	#DIV/0!
Total Other Revenue	44,500	-	-	-	-	44,500	44,500	-	0.0%
Total Operating Revenues	12,069,271	-	-	-	-	12,069,271	12,042,551	26,720	0.2%
NON-OPERATING REVENUES									
<i>Other Non-Operating Revenues (List)</i>									
						-	-	-	#DIV/0!
						-	-	-	#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	280,000					280,000	20,000	260,000	1300.0%
Penalties						-	-	-	#DIV/0!
Other						-	-	-	#DIV/0!
Total Interest	280,000	-	-	-	-	280,000	20,000	260,000	1300.0%
Total Non-Operating Revenues	280,000	-	-	-	-	280,000	20,000	260,000	1300.0%
TOTAL ANTICIPATED REVENUES	\$ 12,349,271	\$ -	\$ -	\$ -	\$ -	\$ 12,349,271	\$ 12,062,551	\$ 286,720	2.4%

Appropriations Schedule

Pequanock-Lincoln Park-Fairfield Sewerage Authority
For the Period: December 01, 2023 to November 30, 2024

	FY 2024 Proposed Budget						FY 2023 Adopted Budget	\$ Increase (Decrease) Proposed vs. Adopted	% Increase (Decrease) Proposed vs. Adopted
	Operation #1	N/A	N/A	N/A	N/A	N/A	Total All Operations	Total All Operations	All Operations
OPERATING APPROPRIATIONS									
<i>Administration - Personnel</i>									
Salary & Wages	\$ 440,350						\$ 440,350	\$ 419,120	\$ 21,230 5.1%
Fringe Benefits	291,050						291,050	256,600	34,450 13.4%
Total Administration - Personnel	731,400	-	-	-	-	-	731,400	675,720	55,680 8.2%
<i>Administration - Other (List)</i>									
Financial Svc, Professional & Office Exp	212,200						212,200	226,200	(14,000) -6.2%
							-	-	#DIV/0!
							-	-	#DIV/0!
							-	-	#DIV/0!
Miscellaneous Administration*							-	-	#DIV/0!
Total Administration - Other	212,200	-	-	-	-	-	212,200	226,200	(14,000) -6.2%
Total Administration	943,600	-	-	-	-	-	943,600	901,920	41,680 4.6%
<i>Cost of Providing Services - Personnel</i>									
Salary & Wages	2,520,340						2,520,340	2,417,920	102,420 4.2%
Fringe Benefits	1,185,000						1,185,000	1,063,700	121,300 11.4%
Total COPS - Personnel	3,705,340	-	-	-	-	-	3,705,340	3,481,620	223,720 6.4%
<i>Cost of Providing Services - Other (List)</i>									
Energy	1,352,700						1,352,700	1,697,600	(344,900) -20.3%
Chemicals, Equip/Maintenance/Repairs,							-	-	#DIV/0!
Contracted Svcs, State Requirements	2,674,900						2,674,900	2,644,800	30,100 1.1%
							-	-	#DIV/0!
Miscellaneous COPS*							-	-	#DIV/0!
Total COPS - Other	4,027,600	-	-	-	-	-	4,027,600	4,342,400	(314,800) -7.2%
Total Cost of Providing Services	7,732,940	-	-	-	-	-	7,732,940	7,824,020	(91,080) -1.2%
Total Principal Payments on Debt Service in Lieu of Depreciation	1,955,187	-	-	-	-	-	1,955,187	1,959,239	(4,052) -0.2%
Total Operating Appropriations	10,631,727	-	-	-	-	-	10,631,727	10,685,179	(53,452) -0.5%
NON-OPERATING APPROPRIATIONS									
Total Interest Payments on Debt	256,569	-	-	-	-	-	256,569	289,172	(32,603) -11.3%
Operations & Maintenance Reserve							-	-	#DIV/0!
Renewal & Replacement Reserve	1,402,805						1,402,805	1,361,946	40,859 3.0%
Municipality/County Appropriation							-	-	#DIV/0!
Other Reserves	500,000						500,000	-	500,000 #DIV/0!
Total Non-Operating Appropriations	2,159,374	-	-	-	-	-	2,159,374	1,651,118	508,256 30.8%
TOTAL APPROPRIATIONS	12,791,101	-	-	-	-	-	12,791,101	12,336,297	454,804 3.7%
ACCUMULATED DEFICIT									
TOTAL APPROPRIATIONS & ACCUMULATED DEFICIT	12,791,101	-	-	-	-	-	12,791,101	12,336,297	454,804 3.7%
UNRESTRICTED NET POSITION UTILIZED									
Municipality/County Appropriation	-	-	-	-	-	-	-	-	#DIV/0!
Other	441,830						441,830	273,746	168,084 61.4%
Total Unrestricted Net Position Utilized	441,830	-	-	-	-	-	441,830	273,746	168,084 61.4%
TOTAL NET APPROPRIATIONS	\$ 12,349,271	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,349,271	\$ 12,062,551	\$ 286,720 2.4%

* 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 \$ 531,586.35 \$ - \$ - \$ - \$ - \$ - \$ 531,586.35

Net Position Reconciliation

Pequannock-Lincoln Park-Fairfield Sewerage Authority

For the Period: December 01, 2023 to November 30, 2024

FY 2024 Proposed Budget

	Operation #1	N/A	N/A	N/A	N/A	N/A	Total All Operations
TOTAL NET POSITION BEGINNING OF LATEST AUDIT REPORT YEAR(1)	\$ 62,552,029						\$ 62,552,029
Less: Invested in Capital Assets, Net of Related Debt (1)	42,522,135						42,522,135
Less: Restricted for Debt Service Reserve (1)							-
Less: Other Restricted Net Position (1)	92,208						92,208
Total Unrestricted Net Position (1)	19,937,686	-	-	-	-	-	19,937,686
Less: Designated for Non-Operating Improvements & Repairs							-
Less: Designated for Rate Stabilization							-
Less: Other Designated by Resolution	14,606,087						14,606,087
Plus: Accrued Unfunded Pension Liability (1)	4,298,651						4,298,651
Plus: Accrued Unfunded Other Post-Employment Benefit Liability (1)	861,805						861,805
Plus: Estimated Income (Loss) on Current Year Operations (2)	1,330,000						1,330,000
Plus: Other Adjustments (attach schedule)							-
UNRESTRICTED NET POSITION AVAILABLE FOR USE IN PROPOSED BUDGET	11,822,055	-	-	-	-	-	11,822,055
Unrestricted Net Position Utilized to Balance Proposed Budget	441,830	-	-	-	-	-	441,830
Unrestricted Net Position Utilized in Proposed Capital Budget	2,837,195	-	-	-	-	-	2,837,195
Appropriation to Municipality/County (3)	-	-	-	-	-	-	-
Total Unrestricted Net Position Utilized in Proposed Budget	3,279,025	-	-	-	-	-	3,279,025
PROJECTED UNRESTRICTED UNDESIGNATED NET POSITION AT END OF YEAR							
Last issued Audit Report (4)	\$ 8,543,030	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,543,030

(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 \$ 531,586 \$ - \$ - \$ - \$ - \$ - \$ 531,586

(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.