

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

RECEIVED
JAN 19 2018

CERTIFICATION OF AMENDED 2017-2018-BUDGET
By Resolution 17-078
Pequannock, Lincoln Park and Fairfield Sewerage Authority

It is hereby certified that the Resolution Adopted December 13, 2017-hereto complies with the requirements of law, and approval is given pursuant to N.J.A.C. 5:31-2.8.

Department of Community Affairs
Division of Local Government Services
Paul D. Ewert, Supervising Municipal Finance Auditor

By Paul D. Ewert CPA RMA
For: Timothy J. Cunningham, Director

Date: January 12, 2018

Attachments

RESOLUTION #17-078

**FY 2017 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 2018.

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

From: \$ 0
To: \$ 100,826

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

From: \$ 11,139,148
To: \$ 11,038,322

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 \$100,826 increase in Appropriations is being made from available surplus funds and will facilitate a reduction in annual charges.
2. The \$100,826 decrease in Revenues is a result of end of year credits and adjustments of FY 2017 user charges and refunds of surplus funds that will be credited in FY 2018.

ATTEST:


Anthony G. Campisi, Jr., Secretary
Dated: December 13, 2017

**PEQUANNOCK, LINCOLN PARK AND
FAIRFIELD SEWERAGE AUTHORITY**


Raymond T. Kerwin, Chairman

Governing Body Member:	Recorded Vote			
	Aye	Nay	Abstain	Absent
Robert A. Voorman	X			
Raymond Verdonik	X			
David A. Runfeldt				X
Raymond T. Kerwin	X			
Richard Phelan	X			
Arthur J. Schmidt	X			
Jerry J. Notte				X
Anthony G. Campisi, Jr.	X			

SUMMARY

Pequannock, Lincoln Park and Fairfield Sewerage Authority
December 1, 2017 to November 30, 2018

For the Period

	<i>FY 2018 Proposed Budget</i>					<i>FY 2017 Adopted Budget</i>		\$ Increase (Decrease) Proposed vs. Adopted	% Increase (Decrease) Proposed vs. Adopted
	Operation #1	N/A	N/A	N/A	N/A	Total All Operations	Total All Operations		
REVENUES									
Total Operating Revenues	\$ 11,080,822	\$ -	\$ -	\$ -	\$ 11,080,822	\$ 10,876,400	\$ 204,422	1.9%	
Total Non-Operating Revenues	16,000	-	-	-	16,000	12,000	4,000	33.3%	
Total Anticipated Revenues	11,096,822	-	-	-	11,096,822	10,888,400	208,422	1.9%	
APPROPRIATIONS									
Total Administration	896,350	-	-	-	896,350	1,012,480	(116,130)	-11.5%	
Total Cost of Providing Services	5,941,580	-	-	-	5,941,580	5,768,150	173,430	3.0%	
Total Principal Payments on Debt Service in Lieu of Depreciation	1,834,148	-	-	-	1,834,148	1,809,404	24,744	1.4%	
Total Operating Appropriations	8,672,078	-	-	-	8,672,078	8,590,034	82,044	1.0%	
Total Interest Payments on Debt	450,743	-	-	-	450,743	479,262	(28,519)	-6.0%	
Total Other Non-Operating Appropriations	2,074,827	-	-	-	2,074,827	2,119,104	(44,277)	-2.1%	
Total Non-Operating Appropriations	2,525,570	-	-	-	2,525,570	2,598,366	(72,796)	-2.8%	
Accumulated Deficit	-	-	-	-	-	-	-	#DIV/0!	
Total Appropriations and Accumulated Deficit	11,197,648	-	-	-	11,197,648	11,188,400	9,248	0.1%	
Less: Total Unrestricted Net Position Utilized	100,826	-	-	-	100,826	300,000	(199,174)	-66.4%	
Net Total Appropriations	11,096,822	-	-	-	11,096,822	10,888,400	208,422	1.9%	
ANTICIPATED SURPLUS (DEFICIT)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	#DIV/0!	

Revenue Schedule

Pequannock, Lincoln Park and Fairfield Sewerage Authority
 For the Period December 1, 2017 to November 30, 2018

	FY 2018 Proposed Budget						FY 2017 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 REVENUES										
<i>Service Charges</i>										
Residential							\$ -	\$ -	\$ -	#DIV/0!
Business/Commercial							-	-	-	#DIV/0!
Industrial							-	-	-	#DIV/0!
Intergovernmental	11038322						11,038,322	10,833,900	204,422	1.9%
Other							-	-	-	#DIV/0!
Total Service Charges	11,038,322						11,038,322	10,833,900	204,422	1.9%
<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	42000						42,000	42,000	-	0.0%
Type in (Grant, Other Rev)							-	-	-	#DIV/0!
Type in (Grant, Other Rev)							-	-	-	#DIV/0!
Type in (Grant, Other Rev)							-	-	-	#DIV/0!
Type in (Grant, Other Rev)							-	-	-	#DIV/0!
Type in (Grant, Other Rev)							-	-	-	#DIV/0!
Type in (Grant, Other Rev)							-	-	-	#DIV/0!
Type in (Grant, Other Rev)							-	-	-	#DIV/0!
Type in (Grant, Other Rev)							-	-	-	#DIV/0!
Type in (Grant, Other Rev)							-	-	-	#DIV/0!
Type in (Grant, Other Rev)							-	-	-	#DIV/0!
Total Other Revenue	42,500						42,500	42,500	-	0.0%
Total Operating Revenues	11,080,822						11,080,822	10,876,400	204,422	1.9%
NON-OPERATING REVENUES										
<i>Other Non-Operating Revenues (List)</i>										
Type in							-	-	-	#DIV/0!
Type in							-	-	-	#DIV/0!
Type in							-	-	-	#DIV/0!
Type in							-	-	-	#DIV/0!
Type in							-	-	-	#DIV/0!
Type in							-	-	-	#DIV/0!
Total Other Non-Operating Revenue							-	-	-	#DIV/0!
<i>Interest on Investments & Deposits (List)</i>										
Interest Earned							16,000	12,000	4,000	33.3%
Penalties							-	-	-	#DIV/0!
Other							-	-	-	#DIV/0!
Total Interest	16,000						16,000	12,000	4,000	33.3%
Total Non-Operating Revenues	16,000						16,000	12,000	4,000	33.3%
TOTAL ANTICIPATED REVENUES	\$ 11,096,822	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,096,822	\$ 10,888,400	\$ 208,422	1.9%

Appropriations Schedule

Pequanock, Lincoln Park and Fairfield Sewerage Authority
For the Period December 1, 2017 to November 30, 2018

	FY 2018 Proposed Budget						FY 2017 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	\$ 423,150						\$ 423,150	\$ 500,680	\$ (77,530)	-15.5%
Fringe Benefits	213,200						213,200	218,800	(5,600)	-2.6%
Total Administration - Personnel	636,350	-	-	-	-	-	636,350	719,480	(83,130)	-11.6%
<i>Administration - Other (List)</i>										
Financial Services	114,500						114,500	114,500	-	0.0%
Professional Expenses	57,000						57,000	48,000	9,000	18.8%
Office	88,500						88,500	130,500	(42,000)	-32.2%
Type in Description							-	-	-	#DIV/0!
Miscellaneous Administration*							-	-	-	#DIV/0!
Total Administration - Other	260,000	-	-	-	-	-	260,000	293,000	(33,000)	-11.3%
Total Administration	896,350	-	-	-	-	-	896,350	1,012,480	(116,130)	-11.5%
<i>Cost of Providing Services - Personnel</i>										
Salary & Wages	1,935,580						1,935,580	1,866,850	68,730	3.7%
Fringe Benefits	838,700						838,700	830,600	8,100	1.0%
Total COPS - Personnel	2,774,280	-	-	-	-	-	2,774,280	2,697,450	76,830	2.8%
<i>Cost of Providing Services - Other (List)</i>										
Energy	1,050,000						1,050,000	940,000	110,000	11.7%
Chemicals, Equip/Maint/Repairs, Misc.	682,800						682,800	719,200	(36,400)	-5.1%
Contracted Service, State Requirements	1,434,500						1,434,500	1,411,500	23,000	1.6%
Type in Description							-	-	-	#DIV/0!
Miscellaneous COPS*							-	-	-	#DIV/0!
Total COPS - Other	3,167,300	-	-	-	-	-	3,167,300	3,070,700	96,600	3.1%
Total Cost of Providing Services	5,941,580	-	-	-	-	-	5,941,580	5,768,150	173,430	3.0%
Total Principal Payments on Debt Service in Lieu of Depreciation	1,834,148	-	-	-	-	-	1,834,148	1,809,404	24,744	1.4%
Total Operating Appropriations	8,672,078	-	-	-	-	-	8,672,078	8,590,034	82,044	1.0%
NON-OPERATING APPROPRIATIONS										
Total Interest Payments on Debt	450,743	-	-	-	-	-	450,743	479,262	(28,519)	-6.0%
Operations & Maintenance Reserve							-	-	-	#DIV/0!
Renewal & Replacement Reserve	1,174,827						1,174,827	1,140,609	34,218	3.0%
Municipality/County Appropriation							-	-	-	#DIV/0!
Other Reserves	900,000						900,000	978,495	(78,495)	-8.0%
Total Non-Operating Appropriations	2,525,570	-	-	-	-	-	2,525,570	2,598,366	(72,796)	-2.8%
TOTAL APPROPRIATIONS	11,197,648	-	-	-	-	-	11,197,648	11,188,400	9,248	0.1%
ACCUMULATED DEFICIT										
TOTAL APPROPRIATIONS & ACCUMULATED DEFICIT	11,197,648	-	-	-	-	-	11,197,648	11,188,400	9,248	0.1%
UNRESTRICTED NET POSITION UTILIZED										
Municipality/County Appropriation							-	-	-	#DIV/0!
Other	100,826						100,826	300,000	(199,174)	-66.4%
Total Unrestricted Net Position Utilized	100,826	-	-	-	-	-	100,826	300,000	(199,174)	-66.4%
TOTAL NET APPROPRIATIONS	\$ 11,096,822	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,096,822	\$ 10,888,400	\$ 208,422	1.9%

* 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 \$ 433,603.90 \$ - \$ - \$ - \$ - \$ - \$ - \$ 433,603.90

Net Position Reconciliation

Pequannock, Lincoln Park and Fairfield Sewerage Authority
 For the Period December 1, 2017 to November 30, 2018

FY 2018 Proposed Budget

	Operation #1	N/A	N/A	N/A	N/A	N/A	Total All Operations
TOTAL NET POSITION BEGINNING OF CURRENT YEAR (1)	\$ 46,769,478						\$ 46,769,478
Less: Invested in Capital Assets, Net of Related Debt (1)	37,502,075						37,502,075
Less: Restricted for Debt Service Reserve (1)							-
Less: Other Restricted Net Position (1)	72,588						72,588
Total Unrestricted Net Position (1)	9,194,815						9,194,815
Less: Designated for Non-Operating Improvements & Repairs							-
Less: Designated for Rate Stabilization							-
Less: Other Designated by Resolution	6,466,145						6,466,145
Plus: Accrued Unfunded Pension Liability (1)	5,502,885						5,502,885
Plus: Accrued Unfunded Other Post-Employment Benefit Liability (1)							-
Plus: Estimated Income (Loss) on Current Year Operations (2)	570,000						570,000
Plus: Other Adjustments (attach schedule)							-
UNRESTRICTED NET POSITION AVAILABLE FOR USE IN PROPOSED BUDGET	8,801,555						8,801,555
Unrestricted Net Position Utilized to Balance Proposed Budget	100,826						100,826
Unrestricted Net Position Utilized in Proposed Capital Budget Appropriation to Municipality/County (3)	1,935,173						1,935,173
Total Unrestricted Net Position Utilized in Proposed Budget	2,035,999						2,035,999
PROJECTED UNRESTRICTED UNDESIGNATED NET POSITION AT END OF YEAR (4)	\$ 6,765,556	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,765,556

(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 \$ 433,604 \$ - \$ - \$ - \$ - \$ - \$ 433,604
 (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.