

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

The Pequannock, Lincoln Park and Fairfield Sewerage Authority

CERTIFICATION OF AMENDED FY 2018 OPERATING BUDGET

(Period Jan. 1, 2018 to Dec. 31, 2018)

Resolution No. 18-075 adopted on December 12, 2018

It is hereby certified that the amendment attached 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

By Paul D. Ewert

Paul D. Ewert, CPA, RMA

Supervising Municipal Finance Auditor

For: Director of the Division of Local Government Services

January 11, 2019

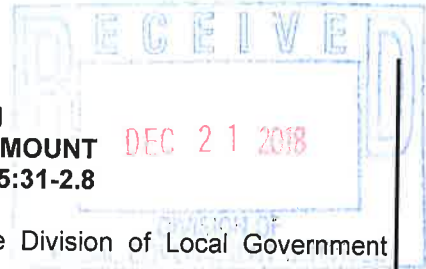
Attachments

RECEIVED

JAN 17 2019

RESOLUTION #18-075

**FY 2019 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 2019.

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

From: \$ 0

To: \$ 357,602

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

From: \$ 11,432,752

To: \$ 11,075,150

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 \$357,602 increase in Appropriations is being made from available surplus funds and will facilitate a reduction in annual charges.

2. The \$357,602 decrease in Revenues is a result of end of year credits and adjustments of FY 2018 user charges and refunds of surplus funds that will be credited in FY 2019.

ATTEST:

Anthony G. Campisi, Jr., Secretary
Dated: December 12, 2018

**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, 2018 to November 30, 2019

For the Period

	FY 2019 Proposed Budget					FY 2018 Adopted Budget		\$ Increase (Decrease) Proposed vs. Adopted	% Increase (Decrease) Proposed vs. Adopted	
	Operation		Total All		Total All		All Operations			All Operations
	Operation #1	#2	N/A	N/A	N/A	Operations				
REVENUES										
Total Operating Revenues	\$ 11,117,650	\$ -	\$ -	\$ -	\$ 11,117,650	\$ 11,080,822	\$ 36,828	0.3%		
Total Non-Operating Revenues	24,000	-	-	-	24,000	16,000	8,000	50.0%		
Total Anticipated Revenues	11,141,650	-	-	-	11,141,650	11,096,822	44,828	0.4%		
APPROPRIATIONS										
Total Administration	928,180	-	-	-	928,180	896,350	31,830	3.6%		
Total Cost of Providing Services	6,179,420	-	-	-	6,179,420	5,941,580	237,840	4.0%		
Total Principal Payments on Debt Service in Lieu of Depreciation	1,858,637	-	-	-	1,858,637	1,834,148	24,489	1.3%		
Total Operating Appropriations	8,966,237	-	-	-	8,966,237	8,672,078	294,159	3.4%		
Total Interest Payments on Debt	422,943	-	-	-	422,943	450,743	(27,800)	-6.2%		
Total Other Non-Operating Appropriations	2,110,072	-	-	-	2,110,072	2,074,827	35,245	1.7%		
Total Non-Operating Appropriations	2,533,015	-	-	-	2,533,015	2,525,570	7,445	0.3%		
Accumulated Deficit	-	-	-	-	-	-	-	#DIV/0!		
Total Appropriations and Accumulated Deficit	11,499,252	-	-	-	11,499,252	11,197,648	301,604	2.7%		
Less: Total Unrestricted Net Position Utilized	357,602	-	-	-	357,602	100,826	256,776	254.7%		
Net Total Appropriations	11,141,650	-	-	-	11,141,650	11,096,822	44,828	0.4%		
ANTICIPATED SURPLUS (DEFICIT)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	#DIV/0!		

Revenue Schedule

Pequannock, Lincoln Park and Fairfield Sewerage Authority
For the Period December 1, 2018 to November 30, 2019

	FY 2019 Proposed Budget						FY 2018 Adopted Budget			
	Operation #1	Operation #2	N/A	N/A	N/A	N/A	Total All Operations	Total All Operations	All Operations	All Operations
									\$ Increase (Decrease)	% Increase (Decrease)
OPERATING REVENUES										
<i>Service Charges</i>										
Residential							\$ -	\$ -	\$ -	#DIV/0!
Business/Commercial							-	-	-	#DIV/0!
Industrial							-	-	-	#DIV/0!
Intergovernmental	11,075,150						11,075,150	11,038,322	36,828	0.3%
Other							-	-	-	#DIV/0!
Total Service Charges	11,075,150						11,075,150	11,038,322	36,828	0.3%
<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	42,000						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!
Total Other Revenue	42,500						42,500	42,500	-	0.0%
Total Operating Revenues	11,117,650						11,117,650	11,080,822	36,828	0.3%
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	24,000						24,000	16,000	8,000	50.0%
Penalties							-	-	-	#DIV/0!
Other							-	-	-	#DIV/0!
Total Interest	24,000						24,000	16,000	8,000	50.0%
Total Non-Operating Revenues	24,000						24,000	16,000	8,000	50.0%
TOTAL ANTICIPATED REVENUES	\$ 11,141,650	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,141,650	\$ 11,096,822	\$ 44,828	0.4%

Appropriations Schedule

Pequannock, Lincoln Park and Fairfield Sewerage Authority
December 1, 2018 to November 30, 2019

For the Period

	FY 2019 Proposed Budget						FY 2018 Adopted Budget		
	Operation					Total All	Total All Operations	All Operations	All Operations
	Operation #1	#2	N/A	N/A	N/A	N/A			
OPERATING APPROPRIATIONS									
<i>Administration - Personnel</i>									
Salary & Wages	\$ 433,580					\$ 433,580	\$ 423,150	\$ 10,430	2.5%
Fringe Benefits	232,600					232,600	213,200	19,400	9.1%
Total Administration - Personnel	666,180	-	-	-	-	666,180	636,350	29,830	4.7%
<i>Administration - Other (List)</i>									
Financial Svcs, Professional & Office Exp	262,000					262,000	260,000	2,000	0.8%
Type in Description						-	-	-	#DIV/0!
Type in Description						-	-	-	#DIV/0!
Type in Description						-	-	-	#DIV/0!
Miscellaneous Administration*						-	-	-	#DIV/0!
Total Administration - Other	262,000	-	-	-	-	262,000	260,000	2,000	0.8%
Total Administration	928,180	-	-	-	-	928,180	896,350	31,830	3.6%
<i>Cost of Providing Services - Personnel</i>									
Salary & Wages	2,045,420					2,045,420	1,935,580	109,840	5.7%
Fringe Benefits	878,900					878,900	838,700	40,200	4.8%
Total COPS - Personnel	2,924,320	-	-	-	-	2,924,320	2,774,280	150,040	5.4%
<i>Cost of Providing Services - Other (List)</i>									
Energy	1,111,000					1,111,000	1,050,000	61,000	5.8%
Chemicals, Equip/Maint/Repairs,						-	-	-	#DIV/0!
Contracted Services, State Requirements	2,144,100					2,144,100	2,117,300	26,800	1.3%
Type in Description						-	-	-	#DIV/0!
Miscellaneous COPS*						-	-	-	#DIV/0!
Total COPS - Other	3,255,100	-	-	-	-	3,255,100	3,167,300	87,800	2.8%
Total Cost of Providing Services	6,179,420	-	-	-	-	6,179,420	5,941,580	237,840	4.0%
Total Principal Payments on Debt Service in Lieu of Depreciation	1,858,637	-	-	-	-	1,858,637	1,834,148	24,489	1.3%
Total Operating Appropriations	8,966,237	-	-	-	-	8,966,237	8,672,078	294,159	3.4%
NON-OPERATING APPROPRIATIONS									
Total Interest Payments on Debt	422,943	-	-	-	-	422,943	450,743	(27,800)	-6.2%
Operations & Maintenance Reserve						-	-	-	#DIV/0!
Renewal & Replacement Reserve	1,210,072					1,210,072	1,174,827	35,245	3.0%
Municipality/County Appropriation						-	-	-	#DIV/0!
Other Reserves	900,000					900,000	900,000	-	0.0%
Total Non-Operating Appropriations	2,533,015	-	-	-	-	2,533,015	2,525,570	7,445	0.3%
TOTAL APPROPRIATIONS	11,499,252	-	-	-	-	11,499,252	11,197,648	301,604	2.7%
ACCUMULATED DEFICIT						-	-	-	#DIV/0!
TOTAL APPROPRIATIONS & ACCUMULATED DEFICIT	11,499,252	-	-	-	-	11,499,252	11,197,648	301,604	2.7%
UNRESTRICTED NET POSITION UTILIZED									
Municipality/County Appropriation						-	-	-	#DIV/0!
Other	357,602					357,602	100,826	256,776	254.7%
Total Unrestricted Net Position Utilized	357,602	-	-	-	-	357,602	100,826	256,776	254.7%
TOTAL NET APPROPRIATIONS	\$ 11,141,650	\$ -	\$ -	\$ -	\$ -	\$ 11,141,650	\$ 11,096,822	\$ 44,828	0.4%

* 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 \$ 448,311.85 \$ - \$ - \$ - \$ - \$ - \$ - \$ 448,311.85

Net Position Reconciliation

Pequannock, Lincoln Park and Fairfield Sewerage Authority

For the Period December 1, 2018 to November 30, 2019

FY 2019 Proposed Budget

TOTAL NET POSITION BEGINNING OF LATEST AUDIT REPORT YEAR(1)

- Less: Invested in Capital Assets, Net of Related Debt (1)
- Less: Restricted for Debt Service Reserve (1)
- Less: Other Restricted Net Position (1)
- Total Unrestricted Net Position (1)
- Less: Designated for Non-Operating Improvements & Repairs
- Less: Designated for Rate Stabilization
- Less: Other Designated by Resolution
- Plus: Accrued Unfunded Pension Liability (1)
- Plus: Accrued Unfunded Other Post-Employment Benefit Liability (1)
- Plus: Estimated Income (Loss) on Current Year Operations (2)
- Plus: Other Adjustments (attach schedule)

	Operation #1	Operation #2	N/A	N/A	N/A	Total All Operations
	\$ 48,423,352					\$ 48,423,352
	37,047,258					37,047,258
	75,336					75,336
	11,300,758					11,300,758
	10,547,390					10,547,390
	6,374,729					6,374,729
	430,000					430,000
	7,558,097					7,558,097
	357,602					357,602
	1,619,928					1,619,928
	-					-
	1,977,530					1,977,530
	\$ 5,580,567					\$ 5,580,567

UNRESTRICTED NET POSITION AVAILABLE FOR USE IN PROPOSED BUDGET

- 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)

- (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 \$ 448,312 \$ - \$ - \$ - \$ - \$ - \$ 448,312
- (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.