

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

CERTIFICATION OF AMENDED 2021-2022 BUDGET

**Re: Pequannock, Lincoln Park and Fairfield Sewerage Authority
2021-2022 Budget Amending Resolution # 21-080**

It is hereby certified that the Resolution Adopted December 8, 2021-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: Director of the Division of Local Government Services

Date: December 14, 2021

Attachments

RESOLUTION #21-080

FY 2022 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 2022:

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

From: \$ 0
To: \$ 400,000

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

From: \$ 11,665,353
To: \$ 11,265,353

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 \$400,000.00 increase in Appropriations is being made from available surplus funds and will facilitate a reduction in annual charges.

2. The \$400,000.00 decrease in Revenues is a result of end of year credits and adjustments of FY 2021 user charges and refunds of surplus funds that will be credited in FY 2022.


(Secretary’s Signature)

December 8, 2021
(Date)

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

SUMMARY

Pequannock, Lincoln Park, and Fairfield Sewerage Authority
 For the Period December 1, 2021 to November 30, 2022

	FY 2022 Proposed Budget					FY 2021 Adopted Budget		\$ 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	\$ 11,309,853	\$ -	\$ -	\$ -	\$ -	\$ 11,309,853	\$ 11,142,554	\$ 167,299	1.5%
Total Non-Operating Revenues	14,400	-	-	-	14,400	17,500	(3,100)	-17.7%	
Total Anticipated Revenues	11,324,253	-	-	-	11,324,253	11,160,054	164,199	1.5%	
APPROPRIATIONS									
Total Administration	843,568	-	-	-	843,568	890,800	(47,232)	-5.3%	
Total Cost of Providing Services	6,411,470	-	-	-	6,411,470	6,326,880	84,590	1.3%	
Total Principal Payments on Debt Service in Lieu of Depreciation	1,925,126	-	-	-	1,925,126	1,906,567	18,559	1.0%	
Total Operating Appropriations	9,180,164	-	-	-	9,180,164	9,124,247	55,917	0.6%	
Total Interest Payments on Debt	321,811	-	-	-	321,811	352,042	(30,231)	-8.6%	
Total Other Non-Operating Appropriations	2,222,278	-	-	-	2,222,278	2,183,765	38,513	1.8%	
Total Non-Operating Appropriations	2,544,089	-	-	-	2,544,089	2,535,807	8,282	0.3%	
Accumulated Deficit	-	-	-	-	-	-	-	-	#DIV/0!
Total Appropriations and Accumulated Deficit	11,724,253	-	-	-	11,724,253	11,660,054	64,199	0.6%	
Less: Total Unrestricted Net Position Utilized	400,000	-	-	-	400,000	500,000	(100,000)	-20.0%	
Net Total Appropriations	11,324,253	-	-	-	11,324,253	11,160,054	164,199	1.5%	
ANTICIPATED SURPLUS (DEFICIT)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	#DIV/0!

Revenue Schedule

Pequannock, Lincoln Park, and Fairfield Sewerage Authority
 For the Period December 1, 2021 to November 30, 2022

	FY 2022 Proposed Budget						FY 2021 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	11,265,353					11,265,353	11,098,054	167,299	1.5%
Other						-	-	-	#DIV/0!
Total Service Charges	11,265,353	-	-	-	-	11,265,353	11,098,054	167,299	1.5%
<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%
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	44,500	-	-	-	-	44,500	44,500	-	0.0%
Total Operating Revenues	11,309,853	-	-	-	-	11,309,853	11,142,554	167,299	1.5%
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	14,400					14,400	17,500	(3,100)	-17.7%
Penalties						-	-	-	#DIV/0!
Other						-	-	-	#DIV/0!
Total Interest	14,400	-	-	-	-	14,400	17,500	(3,100)	-17.7%
Total Non-Operating Revenues	14,400	-	-	-	-	14,400	17,500	(3,100)	-17.7%
TOTAL ANTICIPATED REVENUES	\$ 11,324,253	\$ -	\$ -	\$ -	\$ -	\$ 11,324,253	\$ 11,160,054	\$ 164,199	1.5%

Appropriations Schedule

Pequanock, Lincoln Park, and Fairfield Sewerage Authority

For the Period December 1, 2021 to November 30, 2022

	FY 2022 Proposed Budget						FY 2021 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	\$ 398,568						\$ 398,568	\$ 468,200	\$ (69,632)	-14.9%
Fringe Benefits	245,500						245,500	227,700	17,800	7.8%
Total Administration - Personnel	644,068	-	-	-	-	-	644,068	695,900	(51,832)	-7.4%
<i>Administration - Other (List)</i>										
Financial Svcs, Professional & Office Exp	199,500						199,500	194,900	4,600	2.4%
Type in Description							-	-	-	#DIV/0!
Type in Description							-	-	-	#DIV/0!
Type in Description							-	-	-	#DIV/0!
Miscellaneous Administration*							-	-	-	#DIV/0!
Total Administration - Other	199,500	-	-	-	-	-	199,500	194,900	4,600	2.4%
Total Administration	843,568	-	-	-	-	-	843,568	890,800	(47,232)	-5.3%
<i>Cost of Providing Services - Personnel</i>										
Salary & Wages	2,148,270						2,148,270	2,092,180	56,090	2.7%
Fringe Benefits	866,900						866,900	853,200	13,700	1.6%
Total COPS - Personnel	3,015,170	-	-	-	-	-	3,015,170	2,945,380	69,790	2.4%
<i>Cost of Providing Services - Other (List)</i>										
Energy	1,036,000						1,036,000	1,059,300	(23,300)	-2.2%
Chemicals, Equip/Maintenance/Repairs, Contracted Services, State Requirements	2,360,300						2,360,300	2,322,200	38,100	1.6%
Type in Description							-	-	-	#DIV/0!
Miscellaneous COPS*							-	-	-	#DIV/0!
Total COPS - Other	3,396,300	-	-	-	-	-	3,396,300	3,381,500	14,800	0.4%
Total Cost of Providing Services	6,411,470	-	-	-	-	-	6,411,470	6,326,880	84,590	1.3%
Total Principal Payments on Debt Service in Lieu of Depreciation	1,925,126	-	-	-	-	-	1,925,126	1,906,567	18,559	1.0%
Total Operating Appropriations	9,180,164	-	-	-	-	-	9,180,164	9,124,247	55,917	0.6%
NON-OPERATING APPROPRIATIONS										
Total Interest Payments on Debt	321,811	-	-	-	-	-	321,811	352,042	(30,231)	-8.6%
Operations & Maintenance Reserve							-	-	-	#DIV/0!
Renewal & Replacement Reserve	1,322,278						1,322,278	1,283,765	38,513	3.0%
Municipality/County Appropriation							-	-	-	#DIV/0!
Other Reserves	900,000						900,000	900,000	-	0.0%
Total Non-Operating Appropriations	2,544,089	-	-	-	-	-	2,544,089	2,535,807	8,282	0.3%
TOTAL APPROPRIATIONS	11,724,253	-	-	-	-	-	11,724,253	11,660,054	64,199	0.6%
ACCUMULATED DEFICIT							-	-	-	#DIV/0!
TOTAL APPROPRIATIONS & ACCUMULATED DEFICIT	11,724,253	-	-	-	-	-	11,724,253	11,660,054	64,199	0.6%
UNRESTRICTED NET POSITION UTILIZED										
Municipality/County Appropriation							-	-	-	#DIV/0!
Other	400,000						400,000	500,000	(100,000)	-20.0%
Total Unrestricted Net Position Utilized	400,000	-	-	-	-	-	400,000	500,000	(100,000)	-20.0%
TOTAL NET APPROPRIATIONS	\$ 11,324,253	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,324,253	\$ 11,160,054	\$ 164,199	1.5%

* 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 \$ 459,008.20 \$ - \$ - \$ - \$ - \$ - \$ 459,008.20

Net Position Reconciliation

Pequannock, Lincoln Park, and Fairfield Sewerage Authority

For the Period December 1, 2021 to November 30, 2022

FY 2022 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)							
Less: Invested in Capital Assets, Net of Related Debt (1)	\$ 55,196,547						\$ 55,196,547
Less: Restricted for Debt Service Reserve (1)	38,987,041						38,987,041
Less: Other Restricted Net Position (1)	85,549						85,549
Total Unrestricted Net Position (1)	16,123,957						16,123,957
Less: Designated for Non-Operating Improvements & Repairs							
Less: Designated for Rate Stabilization							
Less: Other Designated by Resolution							
Plus: Accrued Unfunded Pension Liability (1)	13,010,521						13,010,521
Plus: Accrued Unfunded Other Post-Employment Benefit Liability (1)	5,867,315						5,867,315
Plus: Estimated Income (Loss) on Current Year Operations (2)	960,477						960,477
Plus: Other Adjustments (attach schedule)	570,000						570,000
UNRESTRICTED NET POSITION AVAILABLE FOR USE IN PROPOSED BUDGET	10,511,228						10,511,228
Unrestricted Net Position Utilized to Balance Proposed Budget	400,000						400,000
Unrestricted Net Position Utilized in Proposed Capital Budget	1,407,722						1,407,722
Appropriation to Municipality/County (3)							
Total Unrestricted Net Position Utilized in Proposed Budget	1,807,722						1,807,722
PROJECTED UNRESTRICTED UNDESIGNATED NET POSITION AT END OF YEAR							
Last issued Audit Report (4)	\$ 8,703,506	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,703,506

(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 \$ 459,008 \$ - \$ - \$ - \$ - \$ - \$ 459,008

(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.