

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

CERTIFICATION OF AMENDED FY 2022-2023 OPERATING BUDGET

Pequannock Lincoln Park & Fairfield Sewerage Authority
Resolution 2022-053 Amending the 2022-2023 Operating Budget
Adopted on December 14, 2022

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
Paul D. Ewert, Supervising Municipal Finance Auditor

By Paul D. Ewert CPA RMA
FOR: Director of Division of Local Government Services

Date December 15, 2022

Attachments

RESOLUTION #22-053

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 2023:

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

From: \$ 0
To: \$ 273,746

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

From: \$ 12,271,797
To: \$ 11,998,051

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 \$273,746.00 increase in Appropriations is being made from available surplus funds and will facilitate a reduction in annual charges.

2. The \$273,746.00 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 2023.



(Secretary's Signature)

December 14, 2022
(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-Fairfield Sewerage Authority
For the Period: December 01, 2022 to November 30, 2023

	FY 2022 Proposed Budget						FY 2021 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	\$ 12,042,551	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,042,551	\$ 11,309,853	\$ 732,698	6.5%
Total Non-Operating Revenues	20,000	-	-	-	-	-	20,000	14,400	5,600	38.9%
Total Anticipated Revenues	12,062,551	-	-	-	-	-	12,062,551	11,324,253	738,298	6.5%
APPROPRIATIONS										
Total Administration	901,920	-	-	-	-	-	901,920	843,568	58,352	6.9%
Total Cost of Providing Services	7,824,020	-	-	-	-	-	7,824,020	6,411,470	1,412,550	22.0%
Total Principal Payments on Debt Service in Lieu of Depreciation	1,959,239	-	-	-	-	-	1,959,239	1,925,126	34,113	1.8%
Total Operating Appropriations	10,685,179	-	-	-	-	-	10,685,179	9,180,164	1,505,015	16.4%
Total Interest Payments on Debt	289,172	-	-	-	-	-	289,172	321,811	(32,639)	-10.1%
Total Other Non-Operating Appropriations	1,361,946	-	-	-	-	-	1,361,946	2,222,278	(860,332)	-38.7%
Total Non-Operating Appropriations	1,651,118	-	-	-	-	-	1,651,118	2,544,089	(892,971)	-35.1%
Accumulated Deficit	-	-	-	-	-	-	-	-	-	#DIV/0!
Total Appropriations and Accumulated Deficit	12,336,297	-	-	-	-	-	12,336,297	11,724,253	612,044	5.2%
Less: Total Unrestricted Net Position Utilized	273,746	-	-	-	-	-	273,746	400,000	(126,254)	-31.6%
Net Total Appropriations	12,062,551	-	-	-	-	-	12,062,551	11,324,253	738,298	6.5%
ANTICIPATED SURPLUS (DEFICIT)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	#DIV/0!

Revenue Schedule

Pequannock-Lincoln Park-Fairfield Sewerage Authority
For the Period: December 01, 2022 to November 30, 2023

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	All Operations
OPERATING REVENUES									
<i>Service Charges</i>									
Residential						\$ -	\$ -	\$ -	#DIV/0!
Business/Commercial						-	-	-	#DIV/0!
Industrial						-	-	-	#DIV/0!
Intergovernmental	11,998,051					11,998,051	11,265,353	732,698	6.5%
Other						-	-	-	#DIV/0!
Total Service Charges	11,998,051	-	-	-	-	11,998,051	11,265,353	732,698	6.5%
<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%
						-	-	-	#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	12,042,551	-	-	-	-	12,042,551	11,309,853	732,698	6.5%
NON-OPERATING REVENUES									
<i>Other Non-Operating Revenues (List)</i>									
						-	-	-	#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	20,000					20,000	14,400	5,600	38.9%
Penalties						-	-	-	#DIV/0!
Other						-	-	-	#DIV/0!
Total Interest	20,000	-	-	-	-	20,000	14,400	5,600	38.9%
Total Non-Operating Revenues	20,000	-	-	-	-	20,000	14,400	5,600	38.9%
TOTAL ANTICIPATED REVENUES	\$ 12,062,551	\$ -	\$ -	\$ -	\$ -	\$ 12,062,551	\$ 11,324,253	\$ 738,298	6.5%

Appropriations Schedule

Pequannock-Lincoln Park-Fairfield Sewerage Authority
For the Period: December 01, 2022 to November 30, 2023

	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	\$ 419,120						\$ 419,120	\$ 398,568	\$ 20,552	5.2%
Fringe Benefits	256,600						256,600	245,500	11,100	4.5%
Total Administration - Personnel	675,720	-	-	-	-	-	675,720	644,068	31,652	4.9%
<i>Administration - Other (List)</i>										
Financial Svcs, Professional & Office Exp	226,200						226,200	199,500	26,700	13.4%
Miscellaneous Administration*							-	-	-	#DIV/0!
Total Administration - Other	226,200	-	-	-	-	-	226,200	199,500	26,700	13.4%
Total Administration	901,920	-	-	-	-	-	901,920	843,568	58,352	6.9%
<i>Cost of Providing Services - Personnel</i>										
Salary & Wages	2,417,920						2,417,920	2,148,270	269,650	12.6%
Fringe Benefits	1,063,700						1,063,700	866,900	196,800	22.7%
Total COPS - Personnel	3,481,620	-	-	-	-	-	3,481,620	3,015,170	466,450	15.5%
<i>Cost of Providing Services - Other (List)</i>										
Energy	1,697,600						1,697,600	1,036,000	661,600	63.9%
Chemicals, Equip/Maintenance/Repairs, Contracted Svcs, State Requirements	2,644,800						2,644,800	2,360,300	284,500	12.1%
Miscellaneous COPS*							-	-	-	#DIV/0!
Total COPS - Other	4,342,400	-	-	-	-	-	4,342,400	3,396,300	946,100	27.9%
Total Cost of Providing Services	7,824,020	-	-	-	-	-	7,824,020	6,411,470	1,412,550	22.0%
Total Principal Payments on Debt Service in Lieu of Depreciation	1,959,239	-	-	-	-	-	1,959,239	1,925,126	34,113	1.8%
Total Operating Appropriations	10,685,179	-	-	-	-	-	10,685,179	9,180,164	1,505,015	16.4%
NON-OPERATING APPROPRIATIONS										
Total Interest Payments on Debt	289,172	-	-	-	-	-	289,172	321,811	(32,639)	-10.1%
Operations & Maintenance Reserve							-	-	-	#DIV/0!
Renewal & Replacement Reserve	1,361,946						1,361,946	1,322,278	39,668	3.0%
Municipality/County Appropriation							-	-	-	#DIV/0!
Other Reserves							-	900,000	(900,000)	-100.0%
Total Non-Operating Appropriations	1,651,118	-	-	-	-	-	1,651,118	2,544,089	(892,971)	-35.1%
TOTAL APPROPRIATIONS	12,336,297	-	-	-	-	-	12,336,297	11,724,253	612,044	5.2%
ACCUMULATED DEFICIT										
TOTAL APPROPRIATIONS & ACCUMULATED DEFICIT	12,336,297	-	-	-	-	-	12,336,297	11,724,253	612,044	5.2%
UNRESTRICTED NET POSITION UTILIZED										
Municipality/County Appropriation							-	-	-	#DIV/0!
Other	273,746						273,746	400,000	(126,254)	-31.6%
Total Unrestricted Net Position Utilized	273,746	-	-	-	-	-	273,746	400,000	(126,254)	-31.6%
TOTAL NET APPROPRIATIONS	\$ 12,062,551	\$ -	\$ 12,062,551	\$ 11,324,253	\$ 738,298	6.5%				

* 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 \$ 534,258.95 \$ - \$ - \$ - \$ - \$ - \$ 534,258.95

Net Position Reconciliation

Pequannock-Lincoln Park-Fairfield Sewerage Authority
For the Period: December 01, 2022 to November 30, 2023

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)	\$ 56,976,677						\$ 56,976,677
Less: Invested in Capital Assets, Net of Related Debt (1)	39,722,957						39,722,957
Less: Restricted for Debt Service Reserve (1)							-
Less: Other Restricted Net Position (1)	88,626						88,626
Total Unrestricted Net Position (1)	17,165,094	-	-	-	-	-	17,165,094
Less: Designated for Non-Operating Improvements & Repairs							-
Less: Designated for Rate Stabilization							-
Less: Other Designated by Resolution	12,750,040						12,750,040
Plus: Accrued Unfunded Pension Liability (1)	5,041,959						5,041,959
Plus: Accrued Unfunded Other Post-Employment Benefit Liability (1)	1,020,980						1,020,980
Plus: Estimated Income (Loss) on Current Year Operations (2)	(120,000)						(120,000)
Plus: Other Adjustments (attach schedule)							-
UNRESTRICTED NET POSITION AVAILABLE FOR USE IN PROPOSED BUDGET	10,357,993	-	-	-	-	-	10,357,993
Unrestricted Net Position Utilized to Balance Proposed Budget	273,746	-	-	-	-	-	273,746
Unrestricted Net Position Utilized in Proposed Capital Budget	1,010,554	-	-	-	-	-	1,010,554
Appropriation to Municipality/County (3)	-	-	-	-	-	-	-
Total Unrestricted Net Position Utilized in Proposed Budget	1,284,300	-	-	-	-	-	1,284,300
PROJECTED UNRESTRICTED UNDESIGNATED NET POSITION AT END OF YEAR							
Last issued Audit Report (4)	\$ 9,073,693	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,073,693

(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 \$ 534,259 \$ - \$ - \$ - \$ - \$ - \$ 534,259

(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.