

Authority Budget of:

ADOPTED COPY

Pequannock River Basin Regional Sewerage Authority

State Filing Year **2018**

SEP - 4 2018

For the Period:

November 1, 2018 to October 31, 2019

www.prbrsa.org
Authority Web Address

ADOPTED COPY
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Department Of



**Community
Affairs**

RECEIVED
9/19/18

RECEIVED
10/29/18

*W/Amendment
No. 1*

Division of Local Government Services

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

RECEIVED
10/17/18

CERTIFICATION OF AMENDED 2018-2019 BUDGET

Pequannock River Basin Regional Sewerage Authority
Re: Resolution (R-18-10-2) Fiscal Year 2018-2019 Operating Budget
Amendment

It is hereby certified that the Resolution Adopted October 17, 2018-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: Melanie Walter, Acting Director

Date: October 31, 2018

Attachments

2018 (PRBRSA FY 2019) AUTHORITY BUDGET

Certification Section

2018
(PRBRSA FY 2019)

Pequannock River Basin Regional Sewerage Authority
(Name)

AUTHORITY BUDGET

FISCAL YEAR: FROM November 1, 2018 TO October 31, 2019

For Division Use Only

CERTIFICATION OF APPROVED BUDGET

It is hereby certified that the approved Budget made a part hereof complies with the requirements of law and the rules and regulations of the Local Finance Board, and approval is given pursuant to N.J.S.A. 40A:5A-11.

State of New Jersey
Department of Community Affairs
Director of the Division of Local Government Services

By: Paul D. Cvent, CPA, RMA Date: 9/12/2018

CERTIFICATION OF ADOPTED BUDGET

It is hereby certified that the adopted Budget made a part hereof has been compared with the approved Budget previously certified by the Division, and any amendments made thereto. This adopted Budget is certified with respect to such amendments and comparisons only.

State of New Jersey
Department of Community Affairs
Director of the Division of Local Government Services

By: Paul D. Cvent CPA, RMA Date: 10/23/2018

2018 (PRBRSA FY 2019) PREPARER'S CERTIFICATION

Pequannock River Basin Regional Sewerage Authority

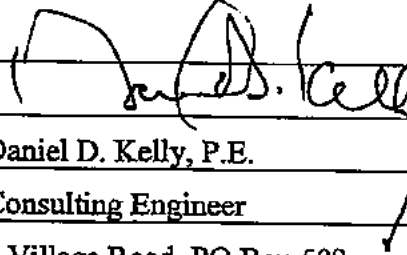
(Name)

AUTHORITY BUDGET

FISCAL YEAR: FROM: November 1, 2018 TO: October 31, 2019

It is hereby certified that the Authority Budget, including both the Annual Budget and the Capital Budget/Program annexed hereto, represents the members of the governing body's resolve with respect to statute in that: all estimates of revenue are reasonable, accurate and correctly stated; all items of appropriation are properly set forth; and in itemization, form and content, the budget will permit the exercise of the comptroller function within the Authority.

It is further certified that all proposed budgeted amounts and totals are correct. Also, I hereby provide reasonable assurance that all assertions contained herein are accurate and all required schedules are completed and attached.

Preparer's Signature:			
Name:	Daniel D. Kelly, P.E.		
Title:	Consulting Engineer		
Address:	4 Village Road, PO Box 509 New Vernon, NJ 07976		
Phone Number:	973-285-9058	Fax Number:	973-285-0944
E-mail address	dkell@prbrsa.org		

2018 (PRBRSA FY 2019) APPROVAL CERTIFICATION

Pequannock River Basin Regional Sewerage Authority


(Name)

AUTHORITY BUDGET

FISCAL YEAR: FROM: November 1, 2018 TO: October 31, 2019

It is hereby certified that the Authority Budget, including all schedules appended hereto, are a true copy of the Annual Budget and Capital Budget/Program approved by resolution by the governing body of the Pequannock River Basin Regional Sewerage Authority, at an open public meeting held pursuant to N.J.A.C. 5:31-2.3, on the 15th day of August, 2018.

It is further certified that the recorded vote appearing in the resolution represents not less than a majority of the full membership of the governing body thereof.

Officer's Signature:			
Name:	Edwin Howard		
Title:	Secretary		
Address:	One Ace Road Butler, NJ 07405		
Phone Number:	973-285-9058	Fax Number:	973-285-0944
E-mail address	dkell@prbrsa.org		

INTERNET WEBSITE CERTIFICATION

Authority's Web Address:	PRBRSA.org
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All authorities shall maintain either an Internet website or a webpage on the municipality's or county's Internet website. The purpose of the website or webpage shall be to provide increased public access to the authority's operations and activities. N.J.S.A. 40A:5A-17.1 requires the following items to be included on the Authority's website at a minimum for public disclosure. Check the boxes below to certify the Authority's compliance with N.J.S.A. 40A:5A-17.1.

- X A description of the Authority's mission and responsibilities
- X Commencing with 2013, the budgets for the current fiscal year and immediately preceding two prior years
- X The most recent Comprehensive Annual Financial Report (Unaudited) or similar financial information
- X Commencing with 2012, the annual audits of the most recent fiscal year and immediately two prior years
- X The Authority's rules, regulations and official policy statements deemed relevant by the governing body of the authority to the interests of the residents within the authority's service area or jurisdiction
- X Notice posted pursuant to the "Open Public Meetings Act" for each meeting of the Authority, setting forth the time, date, location and agenda of each meeting
- X Beginning January 1, 2013, the approved minutes of each meeting of the Authority including all resolutions of the board and their committees; for at least three consecutive fiscal years
- X The name, mailing address, electronic mail address and phone number of every person who exercises day-to-day supervision or management over some or all of the operations of the Authority
- X A list of attorneys, advisors, consultants and any other person, firm, business, partnership, corporation or other organization which received any remuneration of \$17,500 or more during the preceding fiscal year for any service whatsoever rendered to the Authority.

It is hereby certified by the below authorized representative of the Authority that the Authority's website or webpage as identified above complies with the minimum statutory requirements of N.J.S.A. 40A:5A-17.1 as listed above. A check in each of the above boxes signifies compliance.

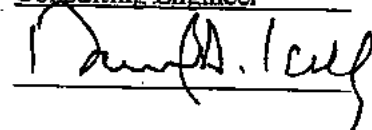
Name of Officer Certifying compliance

Daniel D. Kelly, P.E.

Title of Officer Certifying compliance

Consulting Engineer

Signature



2018 (PRBRSA FY 2019) AUTHORITY BUDGET RESOLUTION

Pequannock River Basin Regional Sewerage Authority

(Name)

FISCAL YEAR: FROM: November 1, 2018 TO: October 31, 2018

WHEREAS, the Annual Budget and Capital Budget for the Pequannock River Basin Regional Sewerage Authority for the fiscal year beginning, November 1, 2018 and ending, October 31, 2019 has been presented before the governing body of the Pequannock River Basin Regional Sewerage Authority at its open public meeting of August 15, 2018; and

WHEREAS, the Annual Budget as introduced reflects Total Revenues of \$ 5,420,000, Total Appropriations, including any Accumulated Deficit if any, of \$ 5,420,000 and Total Unrestricted Net Position utilized of \$ 0.00; and

WHEREAS, the Capital Budget as introduced reflects Total Capital Appropriations of \$ 1,400,000 and Total Unrestricted Net Position planned to be utilized as funding thereof, of \$ 1,400,000; and

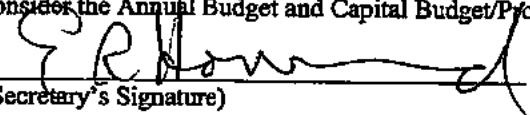
WHEREAS, the schedule of rates, fees and other charges in effect will produce sufficient revenues, together with all other anticipated revenues to satisfy all obligations to the holders of bonds of the Authority, to meet operating expenses, capital outlays, debt service requirements, and to provide for such reserves, all as may be required by law, regulation or terms of contracts and agreements; and

WHEREAS, the Capital Budget/Program, pursuant to N.J.A.C. 5:31-2, does not confer any authorization to raise or expend funds; rather it is a document to be used as part of the said Authority's planning and management objectives. Specific authorization to expend funds for the purposes described in this section of the budget, must be granted elsewhere; by bond resolution, by a project financing agreement, by resolution appropriating funds from the Renewal and Replacement Reserve or other means provided by law.

NOW, THEREFORE BE IT RESOLVED, by the governing body of the Pequannock River Basin Regional Sewerage Authority, at an open public meeting held on August 15, 2018 that the Annual Budget, including all related schedules, and the Capital Budget/Program of the Pequannock River Basin Regional Sewerage Authority for the fiscal year beginning, November 1, 2018 and ending October 31, 2019 is hereby approved; and

BE IT FURTHER RESOLVED, that the anticipated revenues as reflected in the Annual Budget are of sufficient amount to meet all proposed expenditures/expenses and all covenants, terms and provisions as stipulated in the said Authority's outstanding debt obligations, capital lease arrangements, service contracts, and other pledged agreements; and

BE IT FURTHER RESOLVED, that the governing body of the Pequannock River Basin Regional Sewerage Authority will consider the Annual Budget and Capital Budget/Program for adoption on October 17, 2018.


(Secretary's Signature)

August 15, 2018
(Date)

Governing Body Member:	Recorded Vote			
	Aye	Nay	Abstain	Absent
Gall	X			
Howard	X			
Lampmann	X			
Metcalfe				X
Verdonik	X			
Voorman	X			

2018 (PRBRSA FY 2019) ADOPTION CERTIFICATION

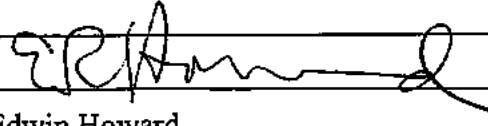
Pequannock River Basin Regional Sewerage Authority

(Name)

AUTHORITY BUDGET

FISCAL YEAR: FROM: November 1, 2018 TO: October 31, 2019

It is hereby certified that the Authority Budget and Capital Budget/Program annexed hereto is a true copy of the Budget adopted by the governing body of the Pequannock River Basin Regional Sewerage Authority, pursuant to N.J.A.C. 5:31-2.3, on the 17th day of, October, 2018.

Officer's Signature:			
Name:	Edwin Howard		
Title:	Secretary		
Address:	One Ace Road Butler, NJ 07405		
Phone Number:	973-285-9058	Fax Number:	973-285-0944
E-mail address	dkell@prbrsa.org		

2018 ADOPTED BUDGET RESOLUTION

Resolution No. R-18-10-1

Pequannock River Basin Regional Sewerage Authority (Name) **AUTHORITY**

FISCAL YEAR: FROM: November 1, 2018 TO: October 31, 2019

WHEREAS, the Annual Budget and Capital Budget/Program for the Pequannock River Basin Regional Sewerage Authority for the fiscal year beginning November 1, 2018 and ending, October 31, 2019 has been presented for adoption before the governing body of the Pequannock River Basin Regional Sewerage Authority at its open public meeting of October 17, 2018; and

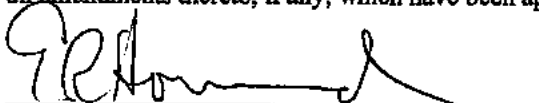
WHEREAS, the Annual Budget and Capital Budget as presented for adoption reflects each item of revenue and appropriation in the same amount and title as set forth in the introduced and approved budget, including all amendments thereto, if any, which have been approved by the Director of the Division of Local Government Services; and

WHEREAS, the Annual Budget as presented for adoption reflects Total Revenues of \$5,420,000, Total Appropriations, including any Accumulated Deficit, if any, of \$5,420,000 and Total Unrestricted Net Position utilized of \$0.00; and

WHEREAS, the Capital Budget as presented for adoption reflects Total Capital Appropriations of \$1,400,000 and Total Unrestricted Net Position planned to be utilized of \$1,400,000; and

NOW, THEREFORE BE IT RESOLVED, by the governing body of the Pequannock River Basin Regional Sewerage Authority, at an open public meeting held on October 17, 2018 that the Annual Budget and Capital Budget/Program of the Pequannock River Basin Regional Sewerage Authority for the fiscal year beginning, November 1, 2018 and, ending, October 31, 2019 is hereby adopted and shall constitute appropriations for the purposes stated; and

BE IT FURTHER RESOLVED, that the Annual Budget and Capital Budget/Program as presented for adoption reflects each item of revenue and appropriation in the same amount and title as set forth in the introduced and approved budget, including all amendments thereto, if any, which have been approved by the Director of the Division of Local Government Services.


(Secretary's Signature)

October 17, 2018
(Date)

Governing Body Member:	Recorded Vote			
	Aye	Nay	Abstain	Absent
Gall				X
Howard	X			
Lampmann	X			
Metcalfe	X			
Verdonik				X
Voorman	X			

2018 (PRBRSA FY 2019) AUTHORITY BUDGET

Narrative and Information Section

2018 (PRBRSA FY 2019) AUTHORITY BUDGET MESSAGE & ANALYSIS

Pequannock River Basin Regional Sewerage Authority (Name)

AUTHORITY BUDGET

FISCAL YEAR: FROM: November 1, 2018 TO: October 31, 2019

Answer all questions below. Attach additional pages and schedules as needed. SEE ATTACHMENTS A & B

1. Complete a brief statement on the 2018/2018-2019 (PRBRSA FY 2019) proposed Annual Budget and make comparison to the 2017/2017-2018 (PRBRSA FY 2018) adopted budget for each operation. Explain any variances over +/-10% (As shown on budget page F-4 explain the reason for changes for each appropriation changing more than 10%) for each line item by operation. Explanations of variances should include a description of the reason for the increase/decrease in the budgeted line item, not just an indication of the amount and percent of the change. Attach any supporting documentation that will help to explain the reason for the increase/decrease in the budgeted line item. For example, if anticipated service charges have increased 15% due to an increase in rates, provide a copy of the resolution authorizing the rate increase.
2. Complete a brief statement on the impact the proposed Annual Budget will have on Anticipated Revenues, especially service charges and on the general purpose/component unit financial statements. Explain significant increases or decreases, if any. An increase or decrease is considered significant if it is over +/-10% (As shown on budget page F-2 explain reason for change for each revenue changing more than 10%) from the current year adopted budget.
3. Describe the state of the local/regional economy and how it may impact the proposed Annual Budget, including the planned Capital Budget/Program.
4. Describe the reasons for utilizing Unrestricted Net Position in the proposed Annual Budget, i.e. rate stabilization, debt service reduction, to balance the budget, etc. If the Authority's budget anticipates a use of Unrestricted Net Position, this question must be answered.
5. Identify any sources of funds transferred to the County/Municipality as a budget subsidy or a shared service and explain the reason for the transfer (i.e.: to balance the County/Municipality budget, etc.).
6. The proposed budget must not reflect an anticipated deficit from 2018/2018-2019 (PRBRSA FY 2019) operations. If there exists an accumulated deficit from prior years' budgets (and funding is included in the proposed budget as a result of a prior deficit) explain the funding plan to eliminate said deficit (N.J.S.A. 40A:5A-12). If the Authority has a net deficit reported in its most recent audit, it must provide a deficit reduction plan in response to this question. (Prepare a response to deficits caused by the implementation of GASB 68)
7. Attach a schedule of the Authority's existing rate structure (connection fees, parking fees, service charges, etc.) if it has been changed since the prior year budget submission and a schedule of the proposed rate structure for the upcoming fiscal year. Explain any proposed changes in the rate structure and attach the resolution approving the change in the rate structure, if applicable.

**2018 (PRBRSA FY 2019) AUTHORITY BUDGET
MESSAGE & ANALYSIS**
Pequannock River Basin Regional Sewerage Authority
(Name)

AUTHORITY BUDGET

FISCAL YEAR: FROM: November 1, 2018 TO: October 31, 2019

ATTACHMENT A TO PAGE N-1

1. The Authority's FY 2019 budget proposes a \$136,616 decrease, a 2.5% decrease in Appropriations and Revenues. It also includes a \$20,000 or 0.4% increase in Annual Charges to the towns.

Attached is a FY 2019 Budget Summary (As Amended) dated October 17, 2018 outlining the changes from the prior year budget to that for FY 2019. (ATTACHMENT B)

The Authority assesses Annual Charges to the four municipalities in accordance with the terms of the service contracts.

A budget hearing will be convened at the October 17, 2018 meeting on adoption of the FY 2019 budget to present the service contract charges to the towns.

2. As indicated under (1) above, the proposed Annual Charge increase to the municipalities is \$20,000 or 0.4% for the year. That change is largely driven by the service contract payments due to the Pequannock, Lincoln Park & Fairfield Sewerage Authority (aka, the Two Bridges Sewerage Authority) for conveyance and treatment services.

As indicated on Page F-1, two line items decreased by more than 10%. Both items are debt service so are in accordance with debt obligations.

In addition, on Page F-1, under Appropriations, is a decrease of \$161,616 "Total Unrestricted Net Position Utilized" as no net assets have been applied in FY 2019.

"Interest Earned" on page F-2 increases by 33% due to escalating market interest yields.

3. The local and regional economies have largely recovered from the recession. For the four municipalities served by the Authority, the Boroughs of Bloomingdale, Butler, Kinnelon and Riverdale, no extraordinary financial stress has been reported to PRBRSA.
4. Unrestricted Net Position - funds of \$0 have been proposed for the Authority's FY 2019 Annual Budget.

ATTACHMENT A TO PAGE N-1

5. No funds have been included for transfer to the County of Morris nor to the Boroughs of Bloomingdale, Butler, Kinnelon and Riverdale as a part of the Authority's FY 2019 Annual Budget.
6. The Authority's proposed FY 2019 budget does not reflect an anticipated deficit from FY 2018.
7. The service charges to be assessed to each of the municipalities are summarized on the attached FY 2019 Annual Budget Summary (As Amended) dated October 17, 2018. The Authority does not assess connection fees for the new connectors to the system.

PEQUANNOCK RIVER BASIN REGIONAL SEWERAGE AUTHORITY

FY 2019 ANNUAL BUDGET SUMMARY (AS AMENDED)

October 17, 2018

APPROPRIATIONS & REVENUES: FY 2019 vs. FY 2018

FY 2019	:	\$	5,340,000	(Amended by Resolution No. R-18-10-2)
FY 2018	:	\$	5,476,616	(Amended: Resolution No. R-18-8-2)
 Decrease	 :	 \$	 (138,616)	 -2.5%

APPROPRIATIONS

Breakdown By Category	FY 2018		Proposed FY 2019		Change	
	Dollar	Percent	Dollar	Percent	Dollar	Percent
PRBRSA (Direct) Debt Service	\$ 300,034	5.5%	\$ 300,000	5.6%	\$ (34)	0.0%
TBSA Service Contract Payments	\$ 3,846,616	70.2%	\$ 3,912,000	73.3%	\$ 65,384	1.7%
PRBRSA Direct Expenses	\$ 490,000	8.9%	\$ 528,000	8.8%	\$ 38,000	7.8%
System Improvements	\$ 153,000	2.8%	\$ 150,000	2.8%	\$ (3,000)	-2.0%
Operating Reserve (Rounding)	\$ 6,966	0.1%	\$ -	0.0%	\$ (6,966)	100.0%
Capital Reserve Fund	\$ 650,000	11.9%	\$ 450,000	8.4%	\$ (200,000)	-30.8%
2012 Series N Arbitrage Reserve Fund	\$ 30,000	0.5%	\$ -	0.0%	\$ (30,000)	-100.0%
 TOTAL :	 \$ 5,476,616	 100.0%	 \$ 5,340,000	 100.0%	 \$ (136,616)	 -2.5%

REVENUES

Breakdown By Category	FY 2018		Proposed FY 2019		Change	
	Dollar	Percent	Dollar	Percent	Dollar	Percent
Annual Charges	5,300,000	96.8%	5,320,000	99.6%	\$ 20,000	0.4%
TBSA Debt Service Credit	-	0.0%	0	0.0%	\$ 0	0.0%
Investment Income	13,000	0.2%	18,000	0.3%	\$ 5,000	38.5%
Other Revenues	2,000	0.0%	2,000	0.0%	\$ -	0.0%
Subtotal :	5,315,000	97.0%	5,340,000	100.0%	\$ 25,000	0.5%
Retained Earnings	161,616	3.0%	-	0.0%	\$ (161,616)	
TOTAL :	5,476,616	100.0%	5,340,000	100.0%	\$ (136,616)	-2.5%

October 19, 2018

ANNUAL CHARGES: FY 2019

The proposed FY 2019 rate increase is \$20,000 or 0.4% over the prior year and is uniform for each of the towns.

Accounting for the projected flows for FY 2019, as well as the contractual capacity allocations, the Annual Charges, that is, the rates charged to the towns, are distributed as follows:

Participant/Customer	FY 2018 Annual Charge		FY 2019 Annual Charge		Change	
	Dollar	Percent	Dollar	Percent	Dollar	Percent
Bloomingtondale	\$ 1,838,900	34.7%	\$ 1,844,863	34.7%	\$ 6,063	0.3%
Butler	\$ 2,246,600	42.4%	\$ 2,288,272	43.0%	\$ 41,672	1.9%
Kinnelon	\$ 325,300	6.1%	\$ 313,114	5.9%	\$ (12,186)	-3.7%
Riverdale	\$ 889,200	16.8%	\$ 873,651	16.4%	\$ (15,549)	-1.7%
TOTAL:	\$ 5,300,000	100.0%	\$ 5,320,000	100.00%	\$ 20,000	0.4%

FY 2019 RESERVE CAPACITY ALLOCATIONS

Participant/Customer	FY 2019 Capacity Allocations (mgd)	
	Capacity Allocations (mgd)	Percent
Bloomingtondale	0.9045	34.79%
Butler	0.9910	38.11%
Kinnelon	0.2045	7.67%
Riverdale	0.5000	19.23%
TOTAL:	2.6000	100.00%

FY 2019 FLOW PROJECTIONS (FY 2019 ANNUAL BUDGET)

Participant/Customer	Projected/Budgeted FY 2019 Annual Flow (mgd)	
	FY 2019 Annual Flow (mgd)	Percent
Bloomingtondale	0.720	34.61%
Butler	0.950	45.67%
Kinnelon	0.100	4.81%
Riverdale	0.310	14.91%
TOTAL:	2.080	100.00%

AUTHORITY CONTACT INFORMATION 2018 (PRBRSA FY 2019)

Please complete the following information regarding this Authority. All information requested below must be completed.

Name of Authority:	Pequannock River Basin Regional Sewerage Authority		
Federal ID Number:	22-2067631		
Address:	One Ace Road		
City, State, Zip:	Butler	NJ	07405
Phone: (ext.)	973-285-9058	Fax:	973-285-0944

Preparer's Name:	Daniel D. Kelly, P.E.		
Preparer's Address:	4 Village Road PO Box 509		
City, State, Zip:	New Vernon	NJ	07976
Phone: (ext.)	973-285-9058	Fax:	973-285-0944
E-mail:	dkell@prbrsa.org		

Chief Executive Officer:	Not Applicable		
Phone: (ext.)		Fax:	
E-mail:			

Chief Financial Officer:	Not Applicable		
Phone: (ext.)		Fax:	
E-mail:			

Name of Auditor:	Paul J. Cuva, CPA		
Name of Firm:	Ferraioli, Wielkotz, Cerullo & Cuva, P.A.		
Address:	401 Wanaque Avenue		
City, State, Zip:	Pompton Lakes	NJ	07442
Phone: (ext.)	973-835-7900	Fax:	973-835-6631
E-mail:	Pcuva@fwcc-cpa.com		

AUTHORITY INFORMATIONAL QUESTIONNAIRE

Pequannock River Basin Regional Sewerage Authority

(Name)

FISCAL YEAR: FROM: November 1, 2018 TO: October 31, 2019

Answer all questions below completely and attach additional information as required.

- 1) Provide the number of individuals employed in (Use Most Recent W-3 Available 2016 or 2017) as reported on the Authority's Form W-3, Transmittal of Wage and Tax Statements: 0
- 2) Provide the amount of total salaries and wages as reported on the Authority's Form W-3, (Use Most Recent W-3 Available 2016 or 2017) Transmittal of Wage and Tax Statements: \$0
- 3) Provide the number of regular voting members of the governing body: 6
- 4) Provide the number of alternate voting members of the governing body: 0
- 5) Did any person listed on Page N-4 have a family or business relationship with any other person listed on Page N-4 during the current fiscal year? No If "yes," attach a description of the relationship including the names of the individuals involved and their positions at the Authority.
- 6) Did all individuals that were required to file a Financial Disclosure Statement for the current fiscal year (Most Recent Filing that March 31, 2017 or 2018 deadline has passed 2017 or 2018) because of their relationship with the Authority file the form as required? (Checked to see if individuals actually filed at <http://www.state.nj.us/dca/divisions/dlgs/resources/fds.html> before answering) Yes If "no," provide a list of those individuals who failed to file a Financial Disclosure Statement and an explanation as to the reason for their failure to file.
- 7) Does the Authority have any amounts receivable from current or former commissioners, officers, key employees or highest compensated employees? No If "yes," attach a list of those individuals, their position, the amount receivable, and a description of the amount due to the Authority.
- 8) Was the Authority a party to a business transaction with one of the following parties:
 - a. A current or former commissioner, officer, key employee, or highest compensated employee? No
 - b. A family member of a current or former commissioner, officer, key employee, or highest compensated employee? No
 - c. An entity of which a current or former commissioner, officer, key employee, or highest compensated employee (or family member thereof) was an officer or direct or indirect owner? NoIf the answer to any of the above is "yes," attach a description of the transaction including the name of the commissioner, officer, key employee, or highest compensated employee (or family member thereof) of the Authority; the name of the entity and relationship to the individual or family member; the amount paid; and whether the transaction was subject to a competitive bid process.
- 9) Did the Authority during the most recent fiscal year pay premiums, directly or indirectly, on a personal benefit contract? A personal benefit contract is generally any life insurance, annuity, or endowment contract that benefits, directly or indirectly, the transferor, a member of the transferor's family, or any other person designated by the transferor. No If "yes," attach a description of the arrangement, the premiums paid, and indicate the beneficiary of the contract.
- 10) Explain the Authority's process for determining compensation for all persons listed on Page N-4. Include whether the Authority's process includes any of the following: 1) review and approval by the commissioners or a committee thereof; 2) study or survey of compensation data for comparable positions in similarly sized entities; 3) annual or periodic performance evaluation; 4) independent compensation consultant; and/or 5) written employment contract. **Attach a narrative of your Authority's procedures for all employees. SEE ATTACHMENT A TO PAGE N-3**
- 11) Did the Authority pay for meals or catering during the current fiscal year? No If "yes," attach a detailed list of all meals and/or catering invoices for the current fiscal year and provide an explanation for each expenditure listed.

- 12) Did the Authority pay for travel expenses for any employee or individual listed on Page N-4? No If "yes," attach a detailed list of all travel expenses for the current fiscal year and provide an explanation for each expenditure listed.
- 13) Did the Authority provide any of the following to or for a person listed on Page N-4 or any other employee of the Authority:
- First class or charter travel No
 - Travel for companions No
 - Tax indemnification and gross-up payments No
 - Discretionary spending account No
 - Housing allowance or residence for personal use No
 - Payments for business use of personal residence No
 - Vehicle/auto allowance or vehicle for personal use No
 - Health or social club dues or initiation fees No
 - Personal services (i.e.: maid, chauffeur, chef) No
- If the answer to any of the above is "yes," attach a description of the transaction including the name and position of the individual and the amount expended.*
- 14) Did the Authority follow a written policy regarding payment or reimbursement for expenses incurred by employees and/or commissioners during the course of Authority business and does that policy require substantiation of expenses through receipts or invoices prior to reimbursement? Yes
If "no," attach an explanation of the Authority's process for reimbursing employees and commissioners for expenses. (If your authority does not allow for reimbursements indicate that in answer)
- 15) Did the Authority make any payments to current or former commissioners or employees for severance or termination? No If "yes," *attach explanation including amount paid.*
- 16) Did the Authority make any payments to current or former commissioners or employees that were contingent upon the performance of the Authority or that were considered discretionary bonuses? No If "yes," *attach explanation including amount paid.*
- 17) Did the Authority comply with its Continuing Disclosure Agreements for all debt issuances outstanding by submitting its audited annual financial statements, annual operating data, and notice of material events to the Municipal Securities Rulemaking Board's Electronic Municipal Marketplace Access (EMMA) as required? Yes If "no," *attach a description of the Authority's plan to ensure compliance with its Continuing Disclosure Agreements in the future.*
- 18) Did the Authority receive any notices from the Department of Environmental Protection or any other entity regarding maintenance or repairs required to the Authority's systems to bring them into compliance with current regulations and standards that it has not yet taken action to remediate? No If "yes," *attach explanation as to why the Authority has not yet undertaken the required maintenance or repairs and describe the Authority's plan to address the conditions identified.*
- 19) Did the Authority receive any notices of fines or assessments from the Department of Environmental Protection or any other entity due to noncompliance with current regulations (i.e.: sewer overflow, etc.)? No If "yes," *attach a description of the event or condition that resulted in the fine or assessment and indicate the amount of the fine or assessment.*

AUTHORITY INFORMATIONAL QUESTIONNAIRE

Pequannock River Basin Regional Sewerage Authority (Name)

FISCAL YEAR: FROM: November 1, 2018 **TO:** October 31, 2019

ATTACHMENT A TO PAGE N-3

Question No. 10: Page N-3 "Authority Schedule of Commissioners, Officers, Key Employees, Highest Compensated Employees and Independent Contractors"

This form was completed based on the fact that the Authority has no employees. As shown, the only Independent Contractor listed is Kelly Engineering. In the absence of staff, Kelly Engineering provides all administrative, managerial, financial, engineering and other related services to the Authority on a contract basis.

**AUTHORITY SCHEDULE OF COMMISSIONERS, OFFICERS, KEY EMPLOYEES,
HIGHEST COMPENSATED EMPLOYEES AND INDEPENDENT CONTRACTORS**

Pequannock River Basin Regional Sewerage Authority

(Name)

FISCAL YEAR: FROM: November 1, 2018 TO: October 31, 2019

Complete the attached table for all persons required to be listed per #1-4 below.

- 1) List all of the Authority's current commissioners and officers and amount of compensation from the Authority and any other public entities as defined below. Enter zero if no compensation was paid.
- 2) List all of the Authority's key employees and highest compensated employees other than a commissioner or officer as defined below and amount of compensation from the Authority and any other public entities.
- 3) List all of the Authority's former officers, key employees and highest compensated employees who received more than \$100,000 in reportable compensation from the Authority and any other public entities during the most recent fiscal year completed.
- 4) List all of the Authority's former commissioners who received more than \$10,000 in reportable compensation from the Authority and any other public entities during the most recent fiscal year completed.

Commissioner: A member of the governing body of the authority with voting rights. Include alternates for purposes of this schedule.

Officer: A person elected or appointed to manage the authority's daily operations at any time during the year, such as the chairperson, vice-chairperson, secretary, or treasurer. For the purposes of this schedule, treat the authority's top management official and top financial official as officers. A member of the governing body may be both a commissioner and an officer for the purposes of this schedule.

Key employee: An employee or independent contractor of the authority (other than a commissioner or officer) who meets both of the following criteria:

- a) The individual received reportable compensation from the authority and other public entities in excess of \$150,000 for the most recent fiscal year completed; and
- b) The individual has responsibilities or influence over the authority as a whole or has power to control or determine 10% or more of the authority's capital expenditures or operating budget.

Highest compensated employee: One of the five highest compensated employees or independent contractors of the authority other than current commissioners, officers, or key employees whose aggregate reportable compensation from the authority and other public entities is greater than \$100,000 for the most recent fiscal year completed.

Compensation: All forms of cash and non-cash payments or benefits provided in exchange for services, including salaries and wages, bonuses, severance payments, deferred payments, retirement benefits, fringe benefits, and other financial arrangements or transactions such as personal vehicles, meals, housing, personal and family education benefits, below-market loans, payment of personal or family travel, entertainment, and personal use of the Authority's property. Compensation includes payments and other benefits provided to both employees and independent contractors in exchange for services.

Reportable compensation: (Use the Most Recent W-2 available 2017 or 2018. The aggregate compensation that is reported (or is required to be reported) on Form W-2, box 1 or 5, whichever amount is greater, and/or Form 1099-MISC, box 7, for the most recent calendar year ended 60 days before the start of the proposed budget year. For example, for fiscal years ending December 31, 2018, the most recent W-2 and 1099 should be used 2017 or 2016 (60 days prior to start of budget year is November 1, 2017, with 2016 being the most recent calendar year ended), and for fiscal years ending June 30, 2018, the calendar year 2017 W-2 and 1099 should be used (60 days prior to start of budget year is May 1, 2017, with 2017 being the most recent calendar year ended).

Other Public Entity: Any municipality, county, local authority, fire district, or other government unit, regardless of whether it is related in any way to the Authority either by function or by physical location.

Authority Schedule of Commissioners, Officers, Key Employees, Highest Compensated Employees and Independent Contractors (Continued)

Pequannock River Basin Regional Sewerage Authority
 For the Period November 1, 2018 to October 31, 2019

Position (Can Check more than 1
 Column for each person) Reportable Compensation from Authority (W-
 2/1099)

Name	Title	Average Hours per Week Dedicated to Position	Position (Can Check more than 1 Column for each person)					Reportable Compensation from Authority (W-2/1099)		Estimated amount of other compensation from the Authority (health benefits, pension, etc.)	Total Compensation from Authority	Names of Other Public Entities where Individual is an Employee or Member of the Governing Body (See note below)	Positions held at Other Public Entities Listed in Column C (1)	Average Hours per Week Dedicated to Positions at Other Public Entities Listed in Column C	Estimated amount of other compensation from Other Public Entities (health benefits, pension, payment in lieu of health benefits, etc.)	Total Compensation All Public Entities
			Commissioner	Officer	Key Employee	Highest Compensated Employee	Former	Base Salary/ Stipend	Bonus							
1 Robert Voorman	Chairman	2	x						\$ -	-	TBSA	Vice Chairman	2	\$ 3,000	\$ 3,000	
2 Raymond Verdorik	Vice Chairman	1	x						0	0	TBSA	Commissioner	2	3,000	3,000	
3 Raymond Verdorik	Vice Chairman								0	0	Borough of Butler	Councilman	4	3,000	3,000	
4 James Lampmann	Treasurer	2	x						0	0	Borough of Butler	Administrator	50	191,000	191,000	
5 James Lampmann	Treasurer								0	0	Morris County IIF	Fund Commission	2		0	
6 Edwin Howard	Secretary	1-2	x						0	0	NJPPA	Treasurer	2		0	
7 E.J. Gail	Commissioner	2	x						0	0	None				0	
8 Paul Metcalfe	Commissioner	1	x						0	0	None				0	
9 Kelly Engineering	Consulting Engineer	40-60							274,471	274,471					274,471	
0 See Attachment to N-4									0	0					0	
1									0	0					0	
2									0	0					0	
3									0	0					0	
4									0	0					0	
5									0	0					0	
Total:									\$ 274,471	\$ 274,471				\$ 200,000	\$ 474,471	

(1) Insert "None" in this column for each individual that does not hold a position with another Public Entity

**Authority Schedule of Commissioners, Officers, Key
Employees, Highest Compensated Employees and
Independent Contractors (Continued)**

Pequannock River Basin Regional Sewerage Authority

(Name)

FISCAL YEAR: FROM: November 1, 2018 TO: October 31, 2019

ATTACHMENT TO PAGE N-4

No. 9: Kelly Engineering

Since PRBRSA has no employees, Kelly Engineering, an independent contractor, is retained on a contract basis to perform managerial, administration, financial/bookkeeping, engineering and related services for the Authority.

The compensation consists of professional engineering service fees, not salary.

Beginning if FY 2018 (February), through a Shared Services Agreement with the Borough of Butler, the Authority retained an Authority Administrator on a part time basis. The Authority Administrator is an employee of the Borough of Butler, not PRBRSA which, again, has no employees.

Schedule of Health Benefits - Detailed Cost Analysis

Pequannock River Basin Regional Sewerage Authority

For the Period November 1, 2018 to

October 31, 2019

	# of Covered Members (Medical & Rx) Proposed Budget	Annual Cost Estimate per Employee Proposed Budget	Total Cost Estimate Proposed Budget	# of Covered Members (Medical & Rx) Current Year	Annual Cost per Employee Current Year	Total Prior year Year Cost	\$ Increase (Decrease)	% Increase (Decrease)
Active Employees - Health Benefits - Annual Cost								
Single Coverage			\$ -			\$ -	\$ -	#DIV/0!
Parent & Child			-			-	-	#DIV/0!
Employee & Spouse (or Partner)			-			-	-	#DIV/0!
Family			-			-	-	#DIV/0!
Employee Cost Sharing Contribution (enter as negative -)							-	#DIV/0!
Subtotal	0		-	0			-	#DIV/0!
Commissioners - Health Benefits - Annual Cost								
Single Coverage			-			-	-	#DIV/0!
Parent & Child			-			-	-	#DIV/0!
Employee & Spouse (or Partner)			-			-	-	#DIV/0!
Family			-			-	-	#DIV/0!
Employee Cost Sharing Contribution (enter as negative -)							-	#DIV/0!
Subtotal	0		-	0			-	#DIV/0!
Retirees - Health Benefits - Annual Cost								
Single Coverage			-			-	-	#DIV/0!
Parent & Child			-			-	-	#DIV/0!
Employee & Spouse (or Partner)			-			-	-	#DIV/0!
Family			-			-	-	#DIV/0!
Employee Cost Sharing Contribution (enter as negative -)							-	#DIV/0!
Subtotal	0		-	0			-	#DIV/0!
GRAND TOTAL	0		\$ -	0		\$ -	\$ -	#DIV/0!

Is medical coverage provided by the SHBP (Yes or No)? (Place Answer in Box)

Yes or No

Is prescription drug coverage provided by the SHBP (Yes or No)? (Place Answer in Box)

Yes or No

Note: Remember to Enter an amount in rows for Employee Cost Sharing

2018 (PRBRSA FY 2019) AUTHORITY BUDGET

Financial Schedules Section

SUMMARY

Pequanock River Basin Regional Sewerage Authority
 For the Period November 1, 2018 to October 31, 2019

	FY 2019 Proposed Budget						FY 2018 Adopted Budget	\$ Increase (Decrease) Proposed vs. Adopted	% Increase (Decrease) Proposed vs. Adopted	
	Operation #1	Operation #2	N/A	N/A	N/A	N/A	Total All Operations	Total All Operations	All Operations	All Operations
REVENUES										
Total Operating Revenues	\$ 5,920,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,920,000	\$ 5,300,000	\$ 20,000	0.4%
Total Non-Operating Revenues	20,000	-	-	-	-	-	20,000	15,000	5,000	33.3%
Total Anticipated Revenues	<u>5,340,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,340,000</u>	<u>5,315,000</u>	<u>25,000</u>	<u>0.5%</u>
APPROPRIATIONS										
Total Administration	322,000	-	-	-	-	-	322,000	317,000	5,000	1.6%
Total Cost of Providing Services	4,268,000	-	-	-	-	-	4,268,000	4,179,582	88,418	2.1%
Total Principal Payments on Debt Service in Lieu of Depreciation	175,000	80,634	-	-	-	-	255,634	250,634	5,000	2.0%
Total Operating Appropriations	<u>4,765,000</u>	<u>80,634</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,845,634</u>	<u>4,747,216</u>	<u>98,418</u>	<u>2.1%</u>
Total Interest Payments on Debt	26,500	15,250	-	-	-	-	41,750	49,400	(7,650)	-15.5%
Total Other Non-Operating Appropriations	450,000	2,616	-	-	-	-	452,616	680,000	(227,384)	-33.4%
Total Non-Operating Appropriations	<u>476,500</u>	<u>17,866</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>494,366</u>	<u>729,400</u>	<u>(235,034)</u>	<u>-32.2%</u>
Accumulated Deficit	-	-	-	-	-	-	-	-	-	#DIV/0!
Total Appropriations and Accumulated Deficit	<u>5,241,500</u>	<u>98,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,340,000</u>	<u>5,476,616</u>	<u>(136,616)</u>	<u>-2.5%</u>
Less: Total Unrestricted Net Position Utilized	-	-	-	-	-	-	-	161,616	(161,616)	-100.0%
Net Total Appropriations	<u>5,241,500</u>	<u>98,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,340,000</u>	<u>5,315,000</u>	<u>25,000</u>	<u>0.5%</u>
ANTICIPATED SURPLUS (DEFICIT)	<u>\$ 98,500</u>	<u>\$ (98,500)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>#DIV/0!</u>

Prior Year Adopted Revenue Schedule

Pequannock River Basin Regional Sewerage Authority

	FY 2018 Adopted Budget						Total All Operations
	Operation #1	Operation #2	N/A	N/A	N/A	N/A	
OPERATING REVENUES							
<i>Service Charges</i>							
Residential	5,300,000						\$ 5,300,000
Business/Commercial							-
Industrial							-
Intergovernmental							-
Other							-
Total Service Charges	5,300,000	-	-	-	-	-	5,300,000
<i>Connection Fees</i>							
Residential							-
Business/Commercial							-
Industrial							-
Intergovernmental							-
Other							-
Total Connection Fees	-	-	-	-	-	-	-
<i>Parking Fees</i>							
Meters							-
Permits							-
Fines/Penalties							-
Other							-
Total Parking Fees	-	-	-	-	-	-	-
<i>Other Operating Revenues (List)</i>							
Type in (Grant, Other Rev)							-
Type in (Grant, Other Rev)							-
Type in (Grant, Other Rev)							-
Type in (Grant, Other Rev)							-
Type in (Grant, Other Rev)							-
Type in (Grant, Other Rev)							-
Type in (Grant, Other Rev)							-
Type in (Grant, Other Rev)							-
Type in (Grant, Other Rev)							-
Type in (Grant, Other Rev)							-
Type in (Grant, Other Rev)							-
Type in (Grant, Other Rev)							-
Total Other Revenue	-	-	-	-	-	-	-
Total Operating Revenues	5,300,000	-	-	-	-	-	5,300,000
NON-OPERATING REVENUES							
<i>Other Non-Operating Revenues (List)</i>							
Type in							-
Type in							-
Type in							-
Type in							-
Type in							-
Type in							-
Total Other Non-Operating Revenues	-	-	-	-	-	-	-
<i>Interest on Investments & Deposits</i>							
Interest Earned	13,000						13,000
Penalties							-
Other	2,000						2,000
Total Interest	15,000	-	-	-	-	-	15,000
Total Non-Operating Revenues	15,000	-	-	-	-	-	15,000
TOTAL ANTICIPATED REVENUES	\$ 5,315,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,315,000

Appropriations Schedule

Pequannock River Basin Regional Sewerage Authority
For the Period November 1, 2018 to October 31, 2019

	FY 2019 Proposed Budget						Total All Operations	FY 2018 Adopted Budget Total All Operations	\$ Increase (Decrease) Proposed vs. Adopted	% Increase (Decrease) Proposed vs. Adopted
	Operation									
	Operation #1	#2	N/A	N/A	N/A	N/A				
OPERATING APPROPRIATIONS										
<i>Administration - Personnel</i>										
Salary & Wages							\$ -	\$ -	\$ -	#DIV/0!
Fringe Benefits							-	-	-	#DIV/0!
Total Administration - Personnel							-	-	-	#DIV/0!
<i>Administration - Other (List)</i>										
Type in Description	322,000						322,000	317,000	5,000	1.6%
Type in Description							-	-	-	#DIV/0!
Type in Description							-	-	-	#DIV/0!
Type in Description							-	-	-	#DIV/0!
Miscellaneous Administration*							-	-	-	#DIV/0!
Total Administration - Other							322,000	317,000	5,000	1.6%
Total Administration							322,000	317,000	5,000	1.6%
<i>Cost of Providing Services - Personnel</i>										
Salary & Wages							-	-	-	#DIV/0!
Fringe Benefits							-	-	-	#DIV/0!
Total COPS - Personnel							-	-	-	#DIV/0!
<i>Cost of Providing Services - Other (List)</i>										
Type in Description	4,268,000						4,268,000	4,179,582	88,418	2.1%
Type in Description							-	-	-	#DIV/0!
Type in Description							-	-	-	#DIV/0!
Type in Description							-	-	-	#DIV/0!
Miscellaneous COPS*							-	-	-	#DIV/0!
Total COPS - Other							4,268,000	4,179,582	88,418	2.1%
Total Cost of Providing Services							4,268,000	4,179,582	88,418	2.1%
Total Principal Payments on Debt Service in Lieu of Depreciation	175,000	80,634	-	-	-	-	250,634	250,634	-	0.0%
Total Operating Appropriations	4,765,000	80,634	-	-	-	-	4,747,216	4,747,216	-	0.0%
NON-OPERATING APPROPRIATIONS										
Total Interest Payments on Debt	26,500	15,250	-	-	-	-	41,750	49,400	(7,650)	-15.5%
Operations & Maintenance Reserve							-	-	-	#DIV/0!
Renewal & Replacement Reserve							-	-	-	#DIV/0!
Municipality/County Appropriation							-	-	-	#DIV/0!
Other Reserves	450,000	2,616	-	-	-	-	452,616	580,000	(127,384)	-33.4%
Total Non-Operating Appropriations	476,500	17,866	-	-	-	-	494,366	729,400	(235,034)	-32.2%
TOTAL APPROPRIATIONS	5,241,500	98,500	-	-	-	-	5,340,000	5,476,616	(136,616)	-2.5%
ACCUMULATED DEFICIT							-	-	-	#DIV/0!
TOTAL APPROPRIATIONS & ACCUMULATED DEFICIT	5,241,500	98,500	-	-	-	-	5,340,000	5,476,616	(136,616)	-2.5%
UNRESTRICTED NET POSITION UTILIZED										
Municipality/County Appropriation							-	-	-	#DIV/0!
Other							-	-	-	#DIV/0!
Total Unrestricted Net Position Utilized							-	161,616	(161,616)	-100.0%
TOTAL NET APPROPRIATIONS	\$ 5,241,500	\$ 98,500	\$ -	\$ -	\$ -	\$ -	\$ 5,340,000	\$ 5,315,000	\$ 25,000	0.5%

* 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 \$ 238,250.00 \$ 4,081.70 \$ - \$ - \$ - \$ - \$ - \$ 242,281.70

Appropriations Schedule

Perquannock River Basin Regional Sewerage Authority
For the Period November 1, 2018 to October 31, 2019

	FY 2019 Proposed Budget						FY 2018 Adopted Budget	\$ Increase (Decrease) Proposed vs. Adopted	% Increase (Decrease) Proposed vs. Adopted
	Operation						Total All Operations	Total All Operations	All Operations
	Operation #1	#2	N/A	N/A	N/A	N/A			
OPERATING APPROPRIATIONS									
<i>Administration - Personnel</i>									
Salary & Wages						\$ -	\$ -	\$ -	#DIV/0!
Fringe Benefits									#DIV/0!
Total Administration - Personnel									#DIV/0!
<i>Administration - Other (List)</i>									
Type in Description	322,000					322,000	317,000	5,000	1.6%
Type in Description									#DIV/0!
Type in Description									#DIV/0!
Type in Description									#DIV/0!
Miscellaneous Administration*									#DIV/0!
Total Administration - Other	322,000					322,000	317,000	5,000	1.6%
Total Administration	322,000					322,000	317,000	5,000	1.6%
<i>Cost of Providing Services - Personnel</i>									
Salary & Wages									#DIV/0!
Fringe Benefits									#DIV/0!
Total COPS - Personnel									#DIV/0!
<i>Cost of Providing Services - Other (List)</i>									
Type in Description	4,298,000					4,298,000	4,179,582	118,418	2.8%
Type in Description									#DIV/0!
Type in Description									#DIV/0!
Type in Description									#DIV/0!
Miscellaneous COPS*									#DIV/0!
Total COPS - Other	4,298,000					4,298,000	4,179,582	118,418	2.8%
Total Cost of Providing Services	4,298,000					4,298,000	4,179,582	118,418	2.8%
Total Principal Payments on Debt Service in Lieu of Depreciation	175,000	80,634				255,634	250,634	5,000	2.0%
Total Operating Appropriations	4,795,000	80,634				4,875,634	4,747,216	128,418	2.7%
NON-OPERATING APPROPRIATIONS									
Total Interest Payments on Debt	26,500	15,250				41,750	49,400	(7,650)	-15.5%
Operations & Maintenance Reserve									#DIV/0!
Renewal & Replacement Reserve									#DIV/0!
Municipality/County Appropriation									#DIV/0!
Other Reserves	500,000	7,616				507,616	680,000	(172,384)	-26.1%
Total Non-Operating Appropriations	526,500	17,866				544,366	729,400	(185,034)	-25.4%
TOTAL APPROPRIATIONS	5,321,500	98,500				5,420,000	5,476,616	(56,616)	-1.0%
ACCUMULATED DEFICIT									
TOTAL APPROPRIATIONS & ACCUMULATED DEFICIT	5,321,500	98,500				5,420,000	5,476,616	(56,616)	-1.0%
UNRESTRICTED NET POSITION UTILIZED									
Municipality/County Appropriation									#DIV/0!
Other							161,616	(161,616)	-100.0%
Total Unrestricted Net Position Utilized							161,616	(161,616)	-100.0%
TOTAL NET APPROPRIATIONS	\$ 5,321,500	\$ 98,500	\$ -	\$ -	\$ -	\$ -	\$ 5,315,000	\$ 105,000	2.0%

* 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 \$ 239,750.00 \$ 4,031.70 \$ - \$ - \$ - \$ - \$ - \$ 243,781.70

Prior Year Adopted Appropriations Schedule

Pequannock River Basin Regional Sewerage Authority

	FY 2018 Adopted Budget						Total All Operations
	Operation #1	#2	N/A	N/A	N/A	N/A	
OPERATING APPROPRIATIONS							
<i>Administration - Personnel</i>							
Salary & Wages							\$ -
Fringe Benefits							-
Total Administration - Personnel							-
<i>Administration - Other (List)</i>							
Type In Description	317,000						317,000
Type In Description							-
Type In Description							-
Type In Description							-
Miscellaneous Administration*							-
Total Administration - Other	317,000						317,000
Total Administration	317,000						317,000
<i>Cost of Providing Services - Personnel</i>							
Salary & Wages							-
Fringe Benefits							-
Total COPS - Personnel							-
<i>Cost of Providing Services - Other (List)</i>							
Type In Description	4,179,582						4,179,582
Type In Description							-
Type In Description							-
Type In Description							-
Miscellaneous COPS*							-
Total COPS - Other	4,179,582						4,179,582
Total Cost of Providing Services	4,179,582						4,179,582
Total Principal Payments on Debt Service in Lieu of Depreciation	170,000	80,634	-	-	-	-	250,634
Total Operating Appropriations	4,666,582	80,634	-	-	-	-	4,747,216
NON-OPERATING APPROPRIATIONS							
Total Interest Payments on Debt	33,400	16,000	-	-	-	-	49,400
Operations & Maintenance Reserve							-
Renewal & Replacement Reserve							-
Municipality/County Appropriation							-
Other Reserves	680,000						680,000
Total Non-Operating Appropriations	713,400	16,000	-	-	-	-	729,400
TOTAL APPROPRIATIONS	5,379,982	96,634	-	-	-	-	5,476,616
ACCUMULATED DEFICIT							-
TOTAL APPROPRIATIONS & ACCUMULATED DEFICIT	5,379,982	96,634	-	-	-	-	5,476,616
UNRESTRICTED NET POSITION UTILIZED							
Municipality/County Appropriation							-
Other	161,616						161,616
Total Unrestricted Net Position Utilized	161,616						161,616
TOTAL NET APPROPRIATIONS	\$ 5,218,366	\$ 96,634	\$ -	\$ -	\$ -	\$ -	\$ 5,315,000

* 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 \$ 233,329.10 \$ 4,031.70 \$ - \$ - \$ - \$ - \$ 237,360.80

Debt Service Schedule - Principal

Pequanock River Basin Regional Sewerage Authority

If Authority has no debt X this box

Fiscal Year Ending In

	Adopted Budget Year 2018	Proposed Budget Year 2019	2020	2021	2022	2023	2024	Thereafter	Total Principal Outstanding
Operation #1									
Series N	\$ 170,000	\$ 175,000	\$ 185,000	\$ 180,000	\$ 200,000				\$ 740,000
Type In Issue Name									-
Type In Issue Name									-
Type In Issue Name									-
Total Principal	<u>170,000</u>	<u>175,000</u>	<u>185,000</u>	<u>180,000</u>	<u>200,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>740,000</u>
Operation #2									
Series 2015A (Fund)	65,634	65,634	65,634	65,634	65,634	65,634	65,634	656,340	1,050,144
Series 2015A (Trust)	15,000	15,000	15,000	15,000	20,000	20,000	20,000	240,000	345,000
Type In Issue Name									-
Type In Issue Name									-
Total Principal	<u>80,634</u>	<u>80,634</u>	<u>80,634</u>	<u>80,634</u>	<u>85,634</u>	<u>85,634</u>	<u>85,634</u>	<u>896,340</u>	<u>1,395,144</u>
N/A									
Type In Issue Name									-
Type In Issue Name									-
Type In Issue Name									-
Type In Issue Name									-
Total Principal	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
N/A									
Type In Issue Name									-
Type In Issue Name									-
Type In Issue Name									-
Type In Issue Name									-
Total Principal	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
N/A									
Type In Issue Name									-
Type In Issue Name									-
Type In Issue Name									-
Type In Issue Name									-
Total Principal	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
N/A									
Type In Issue Name									-
Type In Issue Name									-
Type In Issue Name									-
Type In Issue Name									-
Total Principal	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL PRINCIPAL ALL OPERATIONS	<u>\$ 250,634</u>	<u>\$ 255,634</u>	<u>\$ 265,634</u>	<u>\$ 260,634</u>	<u>\$ 285,634</u>	<u>\$ 85,634</u>	<u>\$ 85,634</u>	<u>\$ 896,340</u>	<u>\$ 2,135,144</u>

Indicate the Authority's most recent bond rating and the year of the rating by ratings service.

	Moody's	Fitch	Standard & Poors
Bond Rating	A1		
Year of Last Rating	2012		

Debt Service Schedule - Interest
Pequannock River Basin Regional Sewerage Authority

If Authority has no debt X this box:

	Adopted Budget Year 2018	Proposed Budget Year 2019	Fiscal Year Ending in					Thereafter	Total Interest Payments Outstanding
			2020	2021	2022	2023	2024		
<i>Operation #1</i>									
Series N	\$ 33,400	\$ 26,500	\$ 19,300	\$ 11,800	\$ 4,000				\$ 61,600
Type in Issue Name									
Type in Issue Name									
Type in Issue Name									
Total Interest Payments	33,400	26,500	19,300	11,800	4,000	-	-	-	61,600
<i>Operation #2</i>									
Series 2015A-1 (Fund)	-	-	-	-	-	-	-	-	-
Series 2015A-1 (Trust)	16,000	15,250	14,500	13,750	13,000	12,000	11,000	56,200	135,700
Type in Issue Name									
Type in Issue Name									
Total Interest Payments	16,000	15,250	14,500	13,750	13,000	12,000	11,000	56,200	135,700
N/A									
Type in Issue Name									
Type in Issue Name									
Type in Issue Name									
Type in Issue Name									
Total Interest Payments	-	-	-	-	-	-	-	-	-
N/A									
Type in Issue Name									
Type in Issue Name									
Type in Issue Name									
Type in Issue Name									
Total Interest Payments	-	-	-	-	-	-	-	-	-
N/A									
Type in Issue Name									
Type in Issue Name									
Type in Issue Name									
Type in Issue Name									
Total Interest Payments	-	-	-	-	-	-	-	-	-
N/A									
Type in Issue Name									
Type in Issue Name									
Type in Issue Name									
Type in Issue Name									
Total Interest Payments	-	-	-	-	-	-	-	-	-
TOTAL INTEREST ALL OPERATIONS	\$ 49,400	\$ 41,750	\$ 33,800	\$ 25,550	\$ 17,000	\$ 12,000	\$ 11,000	\$ 56,200	\$ 197,300

Net Position Reconciliation

Pequannock River Basin Regional Sewerage Authority

For the Period

November 1, 2018

to

October 31, 2019

FY 2019 Proposed Budget

	Operation #1	Operation #2	N/A	N/A	N/A	N/A	Total All Operations
TOTAL NET POSITION BEGINNING OF LATEST AUDIT REPORT YEAR(1)	\$ 12,898,448						\$ 12,898,448
Less: Invested in Capital Assets, Net of Related Debt (1)	3,585,135						3,585,135
Less: Restricted for Debt Service Reserve (1)	155,833						155,833
Less: Other Restricted Net Position (1)	1,567,798						1,567,798
Total Unrestricted Net Position (1)	7,589,682	-	-	-	-	-	7,589,682
Less: Designated for Non-Operating Improvements & Repairs							-
Less: Designated for Rate Stabilization							-
Less: Other Designated by Resolution	5,212,026						5,212,026
Plus: Accrued Unfunded Pension Liability (1)							-
Plus: Accrued Unfunded Other Post-Employment Benefit Liability (1)							-
Plus: Estimated income (Loss) on Current Year Operations (2)	(111,616)						(111,616)
Plus: Other Adjustments (attach schedule)							-
UNRESTRICTED NET POSITION AVAILABLE FOR USE IN PROPOSED BUDGET	2,266,040	-	-	-	-	-	2,266,040
Unrestricted Net Position Utilized to Balance Proposed Budget	-	-	-	-	-	-	-
Unrestricted Net Position Utilized in Proposed Capital Budget	1,400,000	-	-	-	-	-	1,400,000
Appropriation to Municipality/County (3)	-	-	-	-	-	-	-
Total Unrestricted Net Position Utilized in Proposed Budget	1,400,000	-	-	-	-	-	1,400,000
PROJECTED UNRESTRICTED UNDESIGNATED NET POSITION AT END OF YEAR							
Last issued Audit Report (4)	\$ 866,040	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 866,040

(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	\$ 239,750	\$ 4,032	\$ -	\$ -	\$ -	\$ -	\$ 243,782
--	------------	----------	------	------	------	------	------------

(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.

2018

(PRBRSA FY 2019)

PEQUANNOCK RIVER BASIN

REGIONAL SEWERAGE

AUTHORITY

(Name)

AUTHORITY

CAPITAL

BUDGET/
PROGRAM

PROGRAM

2018 (PRBRSA FY 2019) CERTIFICATION OF AUTHORITY CAPITAL BUDGET/PROGRAM

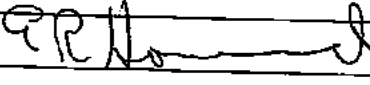
Pequannock River Basin Regional Sewerage Authority
(Name)

FISCAL YEAR: FROM: November 1, 2018 TO: October 31, 2019

It is hereby certified that the Authority Capital Budget/Program annexed hereto is a true copy of the Capital Budget/Program approved, pursuant to N.J.A.C. 5:31-2.2, along with the Annual Budget, by the governing body of the Pequannock River Basin Regional Sewerage Authority, on the 15th day of August, 2018.

OR

It is hereby certified that the governing body of the _____ Authority have elected **NOT** to adopt a Capital Budget /Program for the aforesaid fiscal year, pursuant to N.J.A.C. 5:31-2.2 for the following reason(s): _____

Officer's Signature:			
Name:	Edwin Howard		
Title:	Secretary		
Address:	One Ace Road Butler, NJ 07405		
Phone Number:	973-285-9058	Fax Number:	973-285-0944
E-mail address	dkell@prbrsa.org		

2018 (PRBRSA FY 2019) CAPITAL BUDGET/PROGRAM MESSAGE

Pequannock River Basin Regional Sewerage Authority (Name)

FISCAL YEAR: FROM: November 1, 2018 TO: October 31, 2019

1. Has each municipality or county affected by the actions of the authority participated in the development of the capital plan and reviewed or approved the plans or projects included within the Capital Budget/Program?

Yes. The Authority presents its Operating Budget along with the Capital Budget annually at a budget hearing held each October prior to adoption of the Annual Budget.

2. Has each capital project/project financing been developed from a specific capital improvement plan or report; does it include full lifecycle costs; and is it consistent with appropriate elements of Master Plans or other plans in the jurisdiction(s) served by the authority?

Yes. The Authority's program for the Boonton Avenue Interceptor is based on its Wastewater Management Plan as filed with NJDEP and is consistent with local planning including projections of development, related buildout and resulting water and sewage flows.

3. Has a long-term (10-20 years) infrastructure needs assessment or other capital plan with a horizon beyond six years been prepared?

Yes. The Authority's Wastewater Management Plan is a 20-year planning document.

4. Describe the projected impact of the proposed capital projects, including impact on the schedule of rates, fees, and service charges and the impact on current and future year's schedules.

Due to reductions in outstanding debt obligations, if bonded, debt service for the ongoing Boonton Avenue Interceptor Project would not negatively impact current or future year programs.

The 2017 Project costs will be funded from unrestricted net assets.

5. Please indicate which capital projects/project financings are being undertaken in the Metropolitan or Suburban Planning Areas as defined in the State Development and Redevelopment Plan.

Not Applicable.

6. Please indicate which capital projects/project financings are being undertaken within the boundary of a State Planning Commission-designated Center and/or Endorsed Plan and if the project was included in the Plan Implementation Agenda for that Center/Endorsed Plan.

Not Applicable.

Add additional sheets if necessary.

Proposed Capital Budget

Pequanock River Basin Regional Sewerage Authority
 For the Period November 1, 2018 to October 31, 2019

	Estimated Total Cost	<i>Funding Sources</i>				
		Unrestricted Net Position Utilized	Renewal & Replacement Reserve	Debt Authorization	Capital Grants	Other Sources
Operation #1						
NYS&W RR Crossing	\$ 1,400,000	\$ 1,400,000				
Type in Description	-					
Type in Description	-					
Type in Description	-					
Total	1,400,000	1,400,000	-	-	-	-
Operation #2						
Type in Description	-					
Type in Description	-					
Type in Description	-					
Type in Description	-					
Total	-	-	-	-	-	-
N/A						
Type in Description	-					
Type in Description	-					
Type in Description	-					
Type in Description	-					
Total	-	-	-	-	-	-
N/A						
Type in Description	-					
Type in Description	-					
Type in Description	-					
Type in Description	-					
Total	-	-	-	-	-	-
N/A						
Type in Description	-					
Type in Description	-					
Type in Description	-					
Type in Description	-					
Total	-	-	-	-	-	-
N/A						
Type in Description	-					
Type in Description	-					
Type in Description	-					
Type in Description	-					
Total	-	-	-	-	-	-
TOTAL PROPOSED CAPITAL BUDGET	\$ 1,400,000	\$ 1,400,000	\$ -	\$ -	\$ -	\$ -

Enter brief description of up to four projects for each operation above. For operations with more than four budgeted projects, please attach additional schedules. Input total amount of all projects for the operation on single line and enter "See Attached Schedule" instead of project description.

5 Year Capital Improvement Plan

Pequannock River Basin Regional Sewerage Authority
 For the Period November 1, 2018 to October 31, 2019

Fiscal Year Beginning in

	Estimated Total Cost	Current Budget					
		Year 2019	2020	2021	2022	2023	2024
Operation #1							
NYS&W RR Crossing	\$ 1,400,000	\$ 1,400,000					
Type in Description	-						
Type in Description	-						
Type in Description	-						
Total	1,400,000	1,400,000	-	-	-	-	-
Operation #2							
Type in Description	-						
Type in Description	-						
Type in Description	-						
Type in Description	-						
Total	-	-	-	-	-	-	-
N/A							
Type in Description	-						
Type in Description	-						
Type in Description	-						
Type in Description	-						
Total	-	-	-	-	-	-	-
N/A							
Type in Description	-						
Type in Description	-						
Type in Description	-						
Type in Description	-						
Total	-	-	-	-	-	-	-
N/A							
Type in Description	-						
Type in Description	-						
Type in Description	-						
Type in Description	-						
Total	-	-	-	-	-	-	-
N/A							
Type in Description	-						
Type in Description	-						
Type in Description	-						
Type in Description	-						
Total	-	-	-	-	-	-	-
TOTAL	\$ 1,400,000	\$ 1,400,000	\$ -	\$ -	\$ -	\$ -	\$ -

Project descriptions entered on Page CB-3 will carry forward to Pages CB-4 and CB-5. No need to re-enter project descriptions above.

5 Year Capital Improvement Plan Funding Sources

Pequannock River Basin Regional Sewerage Authority
For the Period November 1, 2018 to October 31, 2019

	Estimated Total Cost	Funding Sources				
		Unrestricted Net Position Utilized	Renewal & Replacement Reserve	Debt Authorization	Capital Grants	Other Sources
Operation #1						
NYS&W RR Crossing	\$ 1,400,000	\$ 1,400,000				
Type in Description	-					
Type in Description	-					
Type in Description	-					
Total	1,400,000	1,400,000	-	-	-	-
Operation #2						
Type in Description	-					
Type in Description	-					
Type in Description	-					
Type in Description	-					
Total	-	-	-	-	-	-
N/A						
Type in Description	-					
Type in Description	-					
Type in Description	-					
Type in Description	-					
Total	-	-	-	-	-	-
N/A						
Type in Description	-					
Type in Description	-					
Type in Description	-					
Type in Description	-					
Total	-	-	-	-	-	-
N/A						
Type in Description	-					
Type in Description	-					
Type in Description	-					
Type in Description	-					
Total	-	-	-	-	-	-
N/A						
Type in Description	-					
Type in Description	-					
Type in Description	-					
Type in Description	-					
Total	-	-	-	-	-	-
TOTAL	\$ 1,400,000	\$ 1,400,000	\$ -	\$ -	\$ -	\$ -
Total 5 Year Plan per CB-4	\$ 1,400,000					
Balance check		- If amount is other than zero, verify that projects listed above match projects listed on CB-4.				

Project descriptions entered on Page CB-3 will carry forward to Pages CB-4 and CB-5. No need to re-enter project descriptions above.