

PEQUANNOCK RIVER BASIN REGIONAL SEWERAGE AUTHORITY

RAYMOND VERDONIK	Chairman
ROBERT VOORMAN	Vice Chairman
JAMES LAMPMANN	Treasurer
DAVE DESAI	Secretary
EDWIN HOWARD	Commissioner
SEAN MABEY	Commissioner
VINCENT PELLEGRINI	Commissioner
MORGAN WILKES	Commissioner

ANNUAL BUDGET: FY 2024

for the Fiscal Year
November 1, 2023 to October 31, 2024

Prepared By: Jamie Avagnano
Authority Administrator

**Certified to be a True Copy of
the FY 2024 Annual Budget**

Adopted on October 18, 2023 Rev. 11/13/23 w/updated EDUs & Subflow Calc.

Raymond Verdonik, Date
Chairman

October 18, 2023
Rev. 11/17/23

Approved: Resolution No. R-23-10-4

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ANNUAL BUDGET - FY 2024

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ANTICIPATED REVENUES AND BUDGETED APPROPRIATIONS

ANTICIPATED REVENUES	FY 2023 BUDGET	FY 2024 BUDGET REQUEST
Participant/Customer Annual Charges:		
Debt Service Charges	\$1,563,000	\$1,565,200
Administrative Charges	\$568,000	\$564,600
Operation & Maintenance Charges	\$3,399,000	\$3,456,000
Subtotal (Participant/Customer Charges):	<u>\$5,530,000</u>	<u>\$5,585,800</u>
Other Revenues:		
Retained Earnings (Net Assets)	\$0	\$0
Investment Income	\$30,000	\$150,000
Tapping Fees (Escrow)	(1)	(1)
Application Fees	\$0	\$0
Inspection Fees (Escrow)	(1)	(1)
Miscellaneous (Rounding)	\$0	\$0
Interest: State Loan Bonds	\$0	\$0
TBSA Debt Service Credit	\$0	\$0
Subtotal (Other Revenues):	<u>\$30,000</u>	<u>\$150,000</u>
TOTAL ANTICIPATED REVENUES	\$5,560,000	\$5,735,800

(1) Escrow fees not available as Revenues.

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ANTICIPATED REVENUES AND BUDGETED APPROPRIATIONS

BUDGETED APPROPRIATIONS	FY 2023 BUDGET	FY 2024 BUDGET REQUEST
Debt Service:		
TBSA Payments	\$1,052,000	\$1,055,000
Direct PRBRSA	\$99,000	\$98,200
Capital Reserve Fund	\$103,000	\$103,000
Renew & Replacement Fund	\$309,000	\$309,000
Subtotal:	\$1,563,000	\$1,565,200
Administrative:		
TBSA Payments	\$224,000	\$230,000
Direct PRBRSA	\$344,000	\$334,600
Subtotal:	\$568,000	\$564,600
Operation & Maintenance		
TBSA Payments (User Charge)	\$2,965,000	\$3,042,000
Direct PRBRSA	\$264,000	\$289,000
System Improvements	\$200,000	\$275,000
Operating Reserve (Rounding)	\$0	\$0
Subtotal:	\$3,429,000	\$3,606,000
Budgeted Appropriations		
TBSA Payments (Total)	\$4,241,000	\$4,327,000
Direct PRBRSA (Total)	\$907,000	\$996,800
Operating Reserve (Rounding)	\$0	\$0
Capital Reserve Fund	\$103,000	\$103,000
Renewal & Replacement Fund	\$309,000	\$309,000
2012 Series N Reserve (BRR)	\$0	\$0
TOTAL BUDGETED APPROPRIATIONS	\$5,560,000	\$5,735,800

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DEBT SERVICE ACCOUNT # 10.00

Item	2023 Budget	2023 Est. Actual	2024 Request	Approved
BUDGETED APPROPRIATIONS				
10.00 PRBRSA DIRECT				
11.00 SEWER REVENUE BONDS (1986)				
.01 Series A (1986)	\$0	\$0	\$0	
.02 Series B (1986)	\$0	\$0	\$0	
.03 Series E (1992)	\$0	\$0	\$0	
.04 Series F (1992)	\$0	\$0	\$0	
.05 Series L (1996)	\$0	\$0	\$0	
.06 Series M (2003)	\$0	\$0	\$0	
.07 Series N (2012)	\$0	\$0	\$0	
Subtotal:	\$0	\$0	\$0	
TOTAL - PRBRSA DIRECT (10-11):	\$0	\$0	\$0	
12.00 STATE LOAN BONDS (1987)				
.08 Trust Loan Bond (2015-Series A)	\$70,500	\$70,500	\$70,000	\$70,000
.09 Trust Loan Bond (2015-Trust Series A)	\$28,500	\$28,500	\$28,200	\$28,200
.10 Rounding	\$0	\$0	\$0	
Subtotal (12):	\$99,000	\$99,000	\$98,200	\$98,200
SUBTOTAL (10-12):	\$99,000	\$99,000	\$98,200	\$98,200
13.00 TBSA PAYMENTS				
.01 Main Sewers (1)	\$520,000	\$520,000	\$523,000	\$523,000
.02 Treatment Plant (1)	\$532,000	\$532,000	\$532,000	\$532,000
.05 TBSA Debt Service Credit	\$0	\$0	\$0	
Subtotal (13):	\$1,052,000	\$1,052,000	\$1,055,000	\$1,055,000
14.00 CAPITAL RESERVE FUND	\$103,000	\$103,000	\$103,000	\$103,000
14.01 Renewal & Replacement Fund	\$309,000	\$309,000	\$309,000	\$309,000
15.00 2012 Series N Bond Arbitrage Reserve	\$0	\$0	\$0	
TOTAL DEBT SERVICE				
BUDGETED APPROPRIATIONS	\$1,563,000	\$1,563,000	\$1,565,200	\$1,565,200

(1) Debt service as proportioned between Main Sewers & Treatment Plant

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DEBT SERVICE ACCOUNT # 10.00

	2023	2023 Est.	2024	
Item	Budget	Actual	Request	Approved
ANTICIPATED REVENUES				
16.00 PRBRSA PARTICIPANT/CUSTOMER ANNUAL CHARGES				
.01 Borough of Bloomingdale	\$568,620	\$568,620	\$569,420 *	\$569,420
.02 Borough of Butler	\$574,246	\$574,246	\$575,054 *	\$575,054
.03 Borough of Kinnelon	\$123,008	\$123,008	\$123,181	\$123,181
.04 Borough of Riverdale	\$297,126	\$297,126	\$297,545	\$297,545
Subtotal - Annual Charges(16):	\$1,563,000	\$1,563,000	\$1,565,200	\$1,565,200
17.00 RESERVE FUND BALANCES APPLIED TO OFFSET DEBT SERVICE				
.01 Bond Service Fund	\$0	\$0	\$0	
.02 Bond Reserve Fund	\$0	\$0	\$0	
.03 Renewal & Replacement Fund	\$0	\$0	\$0	
Subtotal - Debt Service Offsets(17):	\$0	\$0	\$0	
18.00 TBSA DEBT SERVICE CREDIT	\$0	\$0	\$0	
19.00 NJ WASTEWATER TREATMENT TRUST DEBT SERVICE CREDIT	\$0	\$0	\$0	
TOTAL ANTICIPATED REVENUES	\$1,563,000	\$1,563,000	\$1,565,200	\$1,565,200

Apportionment

Ratios

Borough of Bloomingdale: 0.3479 (0.9045/2.600 mgd)
Borough of Butler: 0.3833 (0.991/2.600 mgd)
Borough of Kinnelon: 0.0787 (0.2045/2.600 mgd)
Borough of Riverdale: 0.1901 (0.500/2.600 mgd)

* **Subflow Adj.** 0.3638 (.9459 MGD)
 0.3674 (.9553 mgd)

TOTAL: 1.000

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ADMINISTRATIVE ACCOUNT # 20.00

Item	2023 Budget	2023 Est. Actual	2024 Request	Approved
BUDGETED APPROPRIATIONS				
PRBRSA DIRECT ADMINISTRATIVE COSTS				
20.00 SALARIES & WAGES				
.01 Employee Salaries	\$91,000	\$92,500	\$96,500	\$96,500
.02 PRBRSA Member Salaries	\$0	\$0	\$0	
Subtotal (20)	\$91,000	\$92,500	\$96,500	\$96,500
21.00 BENEFITS				
.01 P.E.R.S.	\$12,000	\$12,000	\$12,000	\$12,000
.02 Health Benefits	\$30,000	\$30,000	\$30,000	\$30,000
.03 Social Security	\$6,000	\$6,000	\$6,000	\$6,000
.04 NJ Unemployment	\$0	\$0	\$0	
.05 Disability Insurance	\$0	\$0	\$0	
Subtotal (21)	\$48,000	\$48,000	\$48,000	\$48,000
22.00 PROFESSIONAL SERVICES				
.01 Legal Services	\$65,000	\$40,000	\$65,000	\$65,000
.02 Auditor/Accounting	\$17,000	\$15,000	\$17,000	\$17,000
.03 Consulting Engineer	\$45,000	\$48,000	\$50,000	\$50,000
.04 Bond Counsel	\$16,000	\$1,000	\$5,000	\$5,000
.05 Misc.	\$0	\$0	\$0	
Subtotal (22)	\$143,000	\$104,000	\$137,000	\$137,000
23.00 INSURANCE				
.01 General Liability	\$23,000	\$23,600	\$24,000	\$24,000
.02 Commercial Umbrella	Included	Included	Included	
.03 Workers Compensation	\$1,200	\$650	\$1,200	\$1,200
.04 Public Officials/Employees Liab.	Included	Included	Included	
.05 Public Officials Bond	Included	Included	Included	
.06 Insurance Reserve	Included	Included	Included	
.07 Auto (Hired & Non-Owned)	Included	Included	Included	
.08 Insurance Consultant	\$1,400	\$800	\$0	
Subtotal (23)	\$25,600	\$25,050	\$25,200	\$25,200
24.00 OFFICE EXPENSE				
.01 Furniture & Equipment	\$1,450	\$0	\$1,000	\$1,000
.02 Website	\$2,500	\$1,275	\$2,000	\$2,000
.03 Postage	\$450	\$200	\$400	\$400
.04 Office Supplies/Stationery	\$3,500	\$2,500	\$2,500	\$2,500
.05 Office Rent	\$3,000	\$3,000	\$3,000	\$3,000
.06 Utilities	\$0	\$0	\$0	\$0
.07 Miscellaneous (Inc. Legal Ads)	\$6,000	\$5,000	\$6,000	\$6,000
.08 Reference Data	\$0	\$0	\$0	\$0
Subtotal (24)	\$16,900	\$11,975	\$14,900	\$14,900

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ADMINISTRATIVE ACCOUNT # 20.00

Item	2023 Budget	2023 Est. Actual	2024 Request	Approved
25.00 PROFESSIONAL EXPENSES				
.01 Mileage & Misc. Expenses	\$2,500	\$550	\$2,000	\$2,000
.02 Meetings & Conferences	\$3,500	\$1,000	\$3,000	\$3,000
.03 Dues/Subscriptions	\$5,500	\$5,270	\$6,000	\$6,000
Subtotal (25)	\$11,500	\$6,820	\$11,000	\$11,000
26.00 FINANCIAL SERVICES				
.01 Trustee Services	\$2,500	\$0	\$1,000	\$1,000
.02 Paying Agent/Registrar/Misc. Expenses	\$0	\$0	\$0	\$0
.03 Escrow Agent	\$0	\$0	\$0	\$0
.05 State Loan Administration	\$5,500	\$0	\$1,000	\$1,000
Subtotal (26)	\$8,000	\$0	\$2,000	\$2,000
SUBTOTAL (PRBRSA DIRECT ADMINISTRATIVE COSTS)	\$344,000	\$288,345	\$334,600	\$334,600
27.00 TBSA ADMINISTRATIVE CHARGES	\$224,000	\$225,500	\$230,000	\$230,000
TOTAL ADMINISTRATIVE BUDGETED APPROPRIATIONS	\$568,000	\$513,845	\$564,600	\$564,600

ANTICIPATED REVENUES

28.00 PARTICIPANT/CUSTOMER ANNUAL CHARGES FOR ADMINISTRATION				
.01 Borough of Bloomingdale 3135 EDUs	\$214,192	\$214,192	\$212,854	\$212,854
.02 Borough of Butler 3481 EDUs	\$237,822	\$237,822	\$236,229	\$236,229
.03 Borough of Kinnelon 363 EDUs	\$24,822	\$24,822	\$24,617	\$24,617
.04 Borough of Riverdale 1334 EDUs	\$91,164	\$91,164	\$90,901	\$90,901
Subtotal (28)	\$568,000	\$568,000	\$564,600	\$564,600
29.00 OTHER REVENUES				
.01 Investment Income	\$30,000	\$30,000	\$150,000	\$150,000
.02 Tapping Fees	\$0	\$0	\$0	\$0
.03 Application Fees	\$100	\$0	\$0	\$0
.04 Miscellaneous Income (Rounding)	\$0	\$0	\$0	\$0
.05 Surplus from R&R Fund	\$0	\$0	\$0	\$0
.06 Unanticipated Revenues	\$0	\$0	\$0	\$0
Subtotal (29):	\$30,100	\$30,000	\$150,000	\$150,000
TOTAL ANTICIPATED REVENUES	\$598,100	\$598,000	\$714,600	\$714,600

Distribution Factors

Bloomingdale:	0.3770 (3135 EDU)
Butler:	0.4184 (3479 EDU)
Kinnelon:	0.0436 (363 EDU)
Riverdale:	<u>0.1610 (1339 EDU)</u>
TOTAL	1.0000

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OPERATION & MAINTENANCE ACCOUNT # 30.00

Item	2023 Budget	2023 Est. Actual	2024 Request	Approved
BUDGETED APPROPRIATIONS				
PRBRSA DIRECT OPERATION AND MAINTENANCE CHARGES				
30.00 SALARIES & WAGES	\$0	\$0	\$0	
.01 Employee Salaries	\$0	\$0	\$0	
31.00 FRINGE BENEFITS				
.01 P.E.R.S.	\$0	\$0	\$0	
.02 Health Benefits	\$0	\$0	\$0	
.03 Social Security	\$0	\$0	\$0	
.04 NJ Unemployment	\$0	\$0	\$0	
.05 Disability Insurance	\$0	\$0	\$0	
Subtotal (31)	\$0	\$0	\$0	
32.00 PROFESSIONAL SERVICES				
.01 Legal Services	\$40,000	\$5,000	\$40,000	\$40,000
.02 Consulting Engineer	\$60,000	\$75,000	\$75,000	\$75,000
.03 Miscellaneous	\$10,000	\$0	\$5,000	\$5,000
Subtotal (32)	\$110,000	\$80,000	\$120,000	\$120,000
33.00 CONTRACT SERVICES				
.01 Operation & Maintenance	\$125,000	\$140,000	\$125,000	\$125,000
.02 Emergency Repairs	\$16,000	\$5,000	\$20,000	\$20,000
.03 Instrumentation	\$1,000	\$500	\$1,000	\$1,000
.04 Outside Laboratory	\$0	\$0	\$0	\$0
.05 Miscellaneous (O&M)	\$5,000	\$30,000	\$10,000	\$10,000
.06 System Improvements/O&M ¹	\$200,000	\$250,000	\$275,000	\$275,000
Subtotal (33)	\$347,000	\$425,500	\$431,000	\$431,000
34.00 STATE/FEDERAL COMPLIANCE				
.01 License Fees	\$0	\$4,000	\$5,000	\$5,000
.02 Permit Fees	\$0	\$0	\$0	\$0
.03 Consulting Engineer	\$2,500	\$6,000	\$6,000	\$6,000
.04 Legal	\$2,500	\$0	\$1,000	\$1,000
.05 Miscellaneous	\$2,000	\$0	\$1,000	\$1,000
Subtotal (34)	\$7,000	\$10,000	\$13,000	\$13,000

(1) Includes PRBRSA remediation projects

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OPERATION & MAINTENANCE ACCOUNT # 30.00

Item	2023 Budget	2023 Est. Actual	2024 Request	Approved
SUBTOTAL (PRBRSA DIRECT OPERATION AND MAINTENANCE CHARGES)	\$464,000	\$515,500	\$564,000	\$564,000
34.50 OPERATING RESERVE (Rounding)	\$0	\$0	\$0	
35.00 TBSA OPERATION AND MAINTENANCE CHARGES	\$2,965,000	\$2,965,000	\$3,042,000	\$3,042,000
TOTAL OPERATIONS AND MAINTENANCE BUDGETED APPROPRIATIONS	\$3,429,000	\$3,480,500	\$3,606,000	\$3,606,000

ANTICIPATED REVENUES

36.00 RETAINED EARNINGS/SURPLUS APPLIED AS OFFSET				
.01 Borough of Bloomingdale 0.720 mgd	\$0	\$0	\$0	
.02 Borough of Butler 0.950 mgd	\$0	\$0	\$0	
.03 Borough of Kinnelon 0.100 mgd	\$0	\$0	\$0	
.04 Borough of Riverdale 0.310 mgd	\$0	\$0	\$0	
Subtotal (28) 2.08 mgd	\$0	\$0	\$0	
37.00 PARTICIPANT/CUSTOMER ANNUAL CHARGES FOR OPERATION & MAINTENANCE				
.01 Borough of Bloomingdale 0.720 mgd	\$1,281,763	\$1,281,763.00	\$1,302,912	\$1,302,912
.02 Borough of Butler 0.950 mgd	\$1,423,161	\$1,423,161.00	\$1,445,990	\$1,445,990
.03 Borough of Kinnelon 0.100 mgd	\$148,536	\$148,536.00	\$150,682	\$150,682
.04 Borough of Riverdale 0.310 mgd	\$545,540	\$545,540.00	\$556,416	\$556,416
Subtotal (28) 2.08 mgd	\$3,399,000	\$3,399,000	\$3,456,000	\$3,456,000
TOTAL REVENUES (ANTICIPATED)	\$3,399,000	\$3,399,000	\$3,456,000	\$3,456,000

Distribution Factors

Bloomingdale:	0.3770 (3135 EDU)
Butler:	0.4184 (3479 EDU)
Kinnelon:	0.0436 (363 EDU)
Riverdale:	<u>0.1610 (1339 EDU)</u>
TOTAL	1.00

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ANNUAL CHARGE DISTRIBUTION BY CUSTOMER (BASED ON FY 2020 AMENDED & RESTATED SERVICE CONTRACT)

FY 2024 ANNUAL CHARGES	REVENUES FROM ANNUAL CHARGES				TOTAL
	BLOOMINGDALE	BUTLER	KINNELON	RIVERDALE	
Debt Service	\$569,420	\$575,054	\$123,181	\$297,545	\$1,565,200
RESERVE CAPACITY	36.38%	36.74%	7.87%	19.01%	
	Includes SUBFLOW Adj.				
Administrative	\$212,854	\$236,229	\$24,617	\$90,901	\$564,600
Operation and Maintenance	\$1,302,912	\$1,445,990	\$150,682	\$556,416	\$3,456,000
EDU METHOD	37.70%	41.84%	4.36%	16.10%	
TOTAL	\$2,085,186	\$2,257,274	\$298,479	\$944,861	\$ 5,585,800
QUARTERLY PAYMENT #1 <u>Due January 15, 2024</u>					
Debt Service	\$142,355	\$143,764	\$30,795	\$74,386	\$391,300
Administrative	\$53,214	\$59,057	\$6,154	\$22,725	\$141,150
Operation and Maintenance	\$325,728	\$361,498	\$37,670	\$139,104	\$864,000
TOTAL	\$521,296	\$564,318	\$74,620	\$236,215	\$1,396,450
QUARTERLY PAYMENT #2 <u>Due April 15, 2024</u>					
Debt Service	\$142,355	\$143,764	\$30,795	\$74,386	\$391,300
Administrative	\$53,214	\$59,057	\$6,154	\$22,725	\$141,150
Operation and Maintenance	\$325,728	\$361,498	\$37,670	\$139,104	\$864,000
TOTAL	\$521,296	\$564,318	\$74,620	\$236,215	\$1,396,450

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ANNUAL CHARGE DISTRIBUTION BY CUSTOMER

FY 2024 ANNUAL CHARGES	REVENUES FROM ANNUAL CHARGES				TOTAL
	BLOOMINGDALE	BUTLER	KINNELON	RIVERDALE	
QUARTERLY PAYMENT #3 <u>Due July 15, 2024</u>					
Debt Service	\$142,355	\$143,764	\$30,795	\$74,386	\$391,300
Administrative	\$53,214	\$59,057	\$6,154	\$22,725	\$141,150
Operation and Maintenance	\$325,728	\$361,498	\$37,670	\$139,104	\$864,000
TOTAL	\$521,296	\$564,318	\$74,620	\$236,215	\$1,396,450
QUARTERLY PAYMENT #4 <u>Due October 15, 2024</u>					
Debt Service	\$142,355	\$143,764	\$30,795	\$74,386	\$391,300
Administrative	\$53,214	\$59,057	\$6,154	\$22,725	\$141,150
Operation and Maintenance	\$325,728	\$361,498	\$37,670	\$139,104	\$864,000
TOTAL	\$521,296	\$564,318	\$74,620	\$236,215	\$1,396,450