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2011

Hamilton Township Municipal Utilities Authority

Water Budget



Division of Local Government Services

2011
Hamilton Township Municipal
Utilities Authority

WATER BUDGET

FISCAL YEAR: FROM September 1, 2011 To August 31, 2012

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. 40A:5A-11.

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

By: _____



Date: _____

08/10/2011

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: _____



Date: _____

09/09/2011

2011 PREPARER'S CERTIFICATION

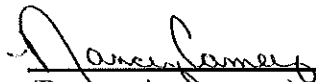
Nancy Camey
Deputy Executive Director

WATER BUDGET

FISCAL YEAR: FROM September 1, 2011 To August 31, 2012

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 Supplemental Schedules required are completed and attached.



(Preparer's signature)

Nancy Camey

(Print Name)

Deputy Executive Director

(Title)

6024 Ken Scull Ave.

(Address)

Mays Landing, New Jersey 08330

(City, State, Zip Code)

(609) 625-1872 / (609) 625-0855
(Phone number) (ext) (Fax number)

nancy@htmua.com
(Email Address)

2011 APPROVAL CERTIFICATION

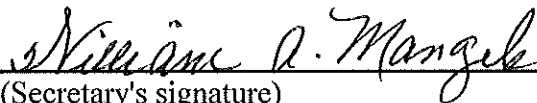
Hamilton Township Municipal Utilities Authority

WATER BUDGET

FISCAL YEAR: FROM September 1, 2011 TO August 31, 2012

It is hereby certified that the Authority Budget, including Supplemental Schedules appended hereto, are a true copy of the Annual Budget and Capital Budget/Program approved by resolution by the governing body of the Hamilton Township Municipal Utilities Authority, at an open public meeting held pursuant to N.J.A.C. 5:31-2.3, on the 8th day of June, 2011.

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


(Secretary's signature)

WILLIAM A. MANGELS

(Print Name)

SECRETARY

(Title)

6024 KEN SCULL AVENUE

(Address)

MAYS LANDING, NJ 08330

(City, State, Zip Code)

(609) 625-1872/ / (609) 625-0855

(Phone number) (ext) (Fax number)

(Email Address)

AUTHORITY INFORMATION SHEET

2011

Please complete the following information regarding this Authority:

Name of Authority:	HAMILTON TOWNSHIP MUA		
Address:	6024 KEN SCULL AVE		
City, State, Zip:	MAYS LANDING	NJ	08330
Phone: (ext.)	(609) 625-1872	Fax:	(609) 625-0855

Preparer's Name:	NANCY CAMEY		
Preparer's Address:	6024 KEN SCULL AVE		
City, State, Zip:	MAYS LANDING	NJ	08330
Phone: (ext.)	(609) 625-1872	Fax:	(609) 625-0855

Chief Executive Officer:	STEPHEN R. BLANKENSHIP		
Phone: (ext.)	(609) 625-1872	Fax:	(609) 625-0855
E-mail:	srbship@htmua.com		

Chief Financial Officer:	NANCY CAMEY		
Phone: (ext.)	(609) 625-1872	Fax:	(609) 625-0855
E-mail:	nancy@htmua.com		

Name of Auditor:	KENNETH W. MOORE		
Name of Firm:	SWARTZ & COMPANY, CERTIFIED PUBLIC ACCOUNTANTS		
Address:	P.O. BOX 548 1409 CANTILLON BLVD		
City, State, Zip:	MAYS LANDING	NJ	08330
Phone: (ext.)	(609) 625-0999	Fax:	(609) 625-2421
E-mail:			

Membership of Board of Commissioners (Full Name)	Title
ROBERT E. MATTLE	CHAIRMAN
JAMES E. SACCINELLI	VICE CHAIRMAN
ALINE L. DIX	TREASURER
WILLIAM A. MANGELS	SECRETARY
RICHARD DEFEO	MEMBER
BRENDA MORRISON	ALTERNATE #1

2011 Authority Budget Resolution Hamilton Township Municipal Utilities Authority

FISCAL YEAR: FROM September 1, 2011 To August 31, 2012

WHEREAS, the Annual Water Budget and Capital Water Budget for the Hamilton Township Municipal Utilities Authority for the fiscal year beginning, September 1, 2011 and ending, August 31, 2012 has been presented before the governing body of the Hamilton Township Municipal Utilities Authority at its open public meeting of June 8, 2011; and

WHEREAS, the Annual Budget as introduced reflects Total Revenues of \$2,313,460 Total Appropriations, including any Accumulated Deficit if any, of \$2,597,988 and Total Unrestricted Net Assets utilized of \$284,528; and

WHEREAS, the Capital Budget as introduced reflects Total Capital Appropriations of \$889,238 and Total Unrestricted Net Assets planned to be utilized as funding thereof, of \$69,238; 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 Hamilton Township Municipal Utilities Authority, at an open public meeting held on June 8, 2011 that the Annual Budget, including appended Supplemental Schedules, and the Capital Budget/Program of the Hamilton Township Municipal Utilities Authority for the fiscal year beginning, September 1, 2011 and ending, August 31, 2012 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 Hamilton Township Municipal Utilities Authority will consider the Annual Budget and Capital Budget/Program for adoption on August 10, 2011.

William A. Mangels *William A. Mangels* June 8, 2011
(Secretary's Signature) (Date)

Governing Body Member:	Recorded Vote			
	Aye	Nay	Abstain	Absent
Robert E. Mattle	X			
James E. Sacchinelli	X			
Aline L. Dix	X			
William A. Mangels	X			
Richard DeFeo	X			

BUDGET MESSAGE 2011
Hamilton Township Municipal
Utilities Authority
WATER BUDGET

FISCAL YEAR: From September 1, 2011 To August 31, 2012

1. Complete a brief statement on the 2011 proposed Annual Budget and make comparison to the current year's adopted budget. Explain significant increases or decreases, if any.

Revenue: Based on historical trends, the projected Operating Revenue more accurately reflects the revenue generated by excess water charges resulting in a 5% increase in overall revenue.

Expenses: Administrative fringe benefits increased due to a part-time employee becoming full time. Operating appropriations increased due to contractual obligations related to a new water facilities asset management contract entered into by the HTMUA in FY2010. Reductions in Operating Salaries, Health Benefits and Electricity offset a portion of the increased operating appropriations.

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.

Connection fee rates will decrease less than 1% based on an annual statutory calculation. Projected revenue for water increased 5% based on the addition of new customer accounts and higher excess water charges. Unrestricted net assets will be utilized to offset the increased operating appropriations.

3. Describe the state of the local/regional economy and how it may impact the proposed Annual Budget, including the planned Capital Budget/Program.

The local/regional economy has significantly decreased in the rate of return on HTMUA investments and stagnated revenue from connection fees due to the lack of new residential and commercial development. If the current conditions continue, capital projects and rates will be further impacted.

4. Describe the reasons for utilizing Unrestricted Net Assets in the proposed Annual Budget, i.e. rate stabilization, debt service reduction, to balance the budget, etc.

The Unrestricted Net Assets are used to offset the water storage asset management costs, which mitigate the cost to the rate payers, and to assist the Township of Hamilton in addressing the Township's current structural deficit.

5. If the proposed Annual Budget contains an Accumulated Deficit either existing or anticipated, pursuant to N.J.S.A 40A:5A-12, then an explanation as to reasons for occurrence must be disclosed. *N/A*

2011

AUTHORITY BUDGET

Water
(OPERATION)

Hamilton Township Municipal Utilities Authority

FISCAL YEAR: FROM September 1 , 2011 To August 31, 2012

---ANTICIPATED REVENUES---

OPERATING REVENUES -----	CROSS REF. -----	2011 PROPOSED BUDGET -----	2010 CURRENT YEAR'S ADOPTED BUDGET -----
SERVICE CHARGES	* A-1 *	\$2,071,915	\$1,966,366 *
CONNECTION FEES	* A-2 *	\$121,000	\$121,825 *
PARKING FEES	* A-3 *		*
OTHER OPERATING REVENUES	* A-4 *	\$81,245	\$54,325 *
TOTAL OPERATING REVENUES	* R-1 *	\$2,274,160	\$2,142,516

NON-OPERATING REVENUES -----	CROSS REF. -----	2011 PROPOSED BUDGET -----	2010 CURRENT YEAR'S ADOPTED BUDGET -----
OPERATING GRANTS & ENTITLEMENTS	* A-5 *		*
LOCAL SUBSIDIES & DONATIONS	* A-6 *		*
INTEREST ON INVESTMENTS AND DEPOSIT	* A-7 *	\$15,300	\$18,650 *
OTHER NON-OPERATING REVENUES	* A-8 *	\$24,000	\$13,900 *
TOTAL NON-OPERATING REVENUES	* R-2 *	\$39,300	\$32,550

TOTAL ANTICIPATED REVENUES (R-1 + R-2)	* B-1 *	\$2,313,460	\$2,175,066
		=====	===== *

2011

AUTHORITY BUDGET

Water
(OPERATION)

Hamilton Township Municipal Utilities Authority

FISCAL YEAR: FROM September 1 , 2011 To August 31, 2012

---BUDGETED APPROPRIATIONS---

--OPERATING APPROPRIATIONS--

----- ADMINISTRATION -----	CROSS REF. -----	2011 PROPOSED BUDGET -----	2010 CURRENT YEAR'S ADOPTED BUDGET -----
SALARY & WAGES	* * *	\$108,800 *	\$113,476 *
FRINGE BENEFITS	* * *	\$123,400 *	\$98,211 *
OTHER EXPENSES	* * *	\$129,640 *	\$173,466 *
TOTAL ADMINISTRATION	* E-1 *	\$361,840 *	\$385,153 *
----- COST OF PROVIDING SERVICES -----	CROSS REF. -----	2011 PROPOSED BUDGET -----	2010 CURRENT YEAR'S ADOPTED BUDGET -----
SALARY & WAGES	* * *	\$397,000 *	\$425,676 *
FRINGE BENEFITS	* * *	\$170,200 *	\$194,039 *
OTHER EXPENSES	* * *	\$1,155,920 *	\$778,678 *
TOTAL COST OF PROVIDING SERVICES	* E-2 *	\$1,723,120 *	\$1,398,393 *
TOTAL PRINCIPAL PAYMENTS ON DEBT SERVICE IN LIEU OF DEPRECIATION	* D-1 *	\$318,400 *	\$305,600 *
TOTAL OPERATING APPROPRIATIONS (E-1 + E-2 + D-1)	* B-2 *	\$2,403,360 *	\$2,089,146 *

**2011 CERTIFICATION of AUTHORITY CAPITAL
BUDGET/PROGRAM**

Hamilton Township Municipal Utilities Authority

WATER BUDGET

FISCAL YEAR: FROM September 1, 2011 TO August 31, 2012

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 Hamilton Township Municipal Utilities Authority, on the 8th day of June, 2011.

OR

It is further 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): _____

William A. Mangels
(Secretary's signature)

WILLIAM A. MANGELS
(Print Name)

SECRETARY
(Title)

6024 KEN SCULL AVENUE
(Address)

MAYS LANDING, NJ 08330
(City, State, Zip Code)

(609) 625-1872 (609) 625-0855
(Phone number) (ext.) (Fax number)

N/A
(Email Address)

AUTHORITY CAPITAL BUDGET
Hamilton Township Municipal Utilities Authority

FISCAL YEAR: FROM September 1 , 2011 To August 31, 2012

5 YEAR CAPITAL IMPROVEMENT PLAN COSTS

PROJECTS	ESTIMATED TOTAL COST	2011	2012	2013	2014	2015
Backhoe	\$35,000	\$10,000	\$10,000	\$10,000	\$5,000	
SCADA Programming (Wells 9 & 10)	\$40,000	\$40,000				
Interconnection Study	\$55,000		\$5,000	\$50,000		
Well 11 Test Well Cohansey to Lower Kirkwood	\$380,000	\$380,000				
Well 10 High Pressure Water Main	\$440,000	\$440,000				
New Truck	\$11,738	\$11,738				
Pipe Locator	\$7,500	\$7,500				
TOTAL	\$969,238	\$889,238	\$15,000	\$60,000	\$5,000	

2011

Water

AUTHORITY CAPITAL BUDGET
Hamilton Township Municipal Utilities Authority

FISCAL YEAR: FROM September 1 , 2011 To August 31, 2012

5 YEAR CAPITAL PLAN FUNDING SOURCES: From 2011 to 2015

PROJECTS	ESTIMATED TOTAL COST	FUNDING SOURCES			
		UNRESTRICTED NET ASSETS	RENEWAL & REPLACEMENT RESERVE	DEBT AUTHORIZATION	OTHER SOURCES
Backhoe	\$35,000	\$35,000			
SCADA Programming (Wells 9 & 10)	\$40,000	\$40,000			
Interconnection Study	\$55,000	\$55,000			
Well 11 Test Well Cohansey to Lower Kirkwood	\$380,000			\$380,000	
Well 10 High Pressure Water Main	\$440,000			\$440,000	
New Truck	\$11,738	\$11,738			
Pipe Locator	\$7,500	\$7,500			
TOTAL	\$969,238	\$149,238		\$820,000	