

WANAQUE VALLEY REGIONAL SEWERAGE AUTHORITY

INTERIM EXECUTIVE DIRECTOR'S REPORT

For the meeting of

May 30, 2018

FY 2019 BUDGET

We are once again approaching budget season. The schedule below is proposed in an effort to introduce and adopt a budget for Fiscal Year 2019, on time, prior to October 1.

May 30: Personnel Committee discussion/review of proposed FY 2019 Salaries
June 27: Adoption of FY 2019 Salary Resolution
July 25: Finance Committee review of proposed FY 2019 budget
August: 22: Introduction of FY 2019 Budget
September 26: Second Reading, Public Hearing and adoption of FY 2019 Budget
October 1: FY 2019 begins.

<p><i>DASHBOARD REPORTS</i></p>
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SEPTAGE HAULER MONTHLY REPORT

Volume for the month of April increased significantly (14.1%) from April to the highest monthly total of the year at 2.2 million gallons. The higher volume also represents a 23.4% increase over April 2017. At seven months into the fiscal year we are currently tracking on target to the budget of \$825,000.

SLUDGE DISPOSAL MONTHLY REPORT

Sludge disposal volume decreased by 9.4% in April as compared to March to a level largely equal to April 2017. The average monthly disposal of 304,500 is approximately 9% lower than the average disposal volume for 2017.

PLANT FLOW MONTHLY REPORT

Average daily flow in the month of April dropped from the March levels but, at more than 1.2 mgd remains significantly higher than normal due to the continued wet weather pattern. The higher than normal flows, to date, have not resulted in any NJDEP permit violations

UTILITY TRACK MONTHLY

With the correction of some billing anomalies electric costs have returned to their average levels for FY 2018. These remain almost 9% higher than for the same period in 2018 largely due to the additional loads caused by processing the rain driven higher average plant flows.

BANK RECONCILIATION MONTHLY REPORT

The cash balance of \$2,510,482.69 at the close of April showed a decrease of \$370K (12.8%) from the closing balance of March. The monthly drop is not unusual given the end of the quarterly revenue cycle with the Borough of Wanaque. More troubling is the continued trend of monthly cash balances at significantly lower levels than in FY 2017. The April 2018 closing balance is \$250K (9%) lower than in April 2018 despite higher revenue from the Borough and stable revenue from septage haulers. A clearer picture will emerge as the final NJEIT reimbursements are received.

FY S&W BUDGET TRACKING MONTHLY REPORT

Through 16 payrolls in FY 2018 expenses continue to track positively against the FY 2018 budget with a projected year end expense approximately \$27,000 under budget.

OVERTIME & SHIFT DIFFERENTIAL MONTHLY REPORT

Overtime expenses through 16 pay periods are approximately even (-0.2%) as compared to the same period last year. The same costs, however, continue to track higher than budget. Given the positive overall S&W figures it does not appear, 7 months into the fiscal year, that the slightly higher than budget overtime costs will negatively affect the S&W bottom line. Likewise shift differential costs remain lower than last year but higher than budget (a factor of the slight underbudgeting of this figure at the start of the fiscal year