**PROPOSED HOUSING AUTHORITY BUDGET INSTRUCTIONS**

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General Information

Important --***Use the Most recent Budget Forms 2020-2021– Don’t use old forms that previously filled in and just change the dates – Your Budget may not be accepted if old forms are used***

Preliminary Review of the Proposed Budget Form & Content

**Step 1**- Completing the Prior Year Adopted Budget Information

**Step 2**- Completing the Proposed Budget Revenue Information

**Step 3-** Completing the Debt Service Schedules

**Step 4** - Completing the Proposed Budget Appropriations Information

**Step 5** - Completing the Budget Narrative and Informational Section

**Step 6** - Completing the Resolution Approving the Proposed Budget

**Step 7** - Completing the Approval/Preparers Certifications

**Step 8** - Completing the Certification & Resolution Adopting the Budget

**Step 9** - Completing the Authority Capital Budget/Program

**Step 10 -** Printing Budget Pages from Excel

**GENERAL INFORMATION**

**WHO MUST FILE**

Every duly created Authority must submit copies of its approved and adopted Authority Budgets for each fiscal year to the Director of the Division of Local Government Services for review and certification pursuant to N.J.S.A 40A:5A-10 and 11 and N.J.A.C. 5:31-2.1, 2.2 and 2.3.

**WHEN TO FILE**

The introduced and approved Authority Budget is to be transmitted to the Director at least 60 days prior to the beginning of each fiscal year.

The adopted budget is to be transmitted to the Director within ten days after adoption.

**WHERE TO FILE**

Send two original hard copies of the complete budget package to:

 Division of Local Government Services

Bureau of Authority Regulation

Department of Community Affairs

101 South Broad Street

P.O. Box 803

Trenton, New Jersey 08625-0803

In addition to the hard copies mailed to the address above, e-mail a pdf of the complete budget package to authoritiesunit@dca.nj.gov with the name of the authority in the subject line.

**WHAT TO FILE**

Two full sets of the introduced and approved Annual Budget and the Capital Budget/Program for each operation, inclusive of the Budget Narrative and Information Section, certifications and resolution with recorded vote, sixty (60) days prior to the beginning of the fiscal year.

Two full sets of the Adopted Annual Budget and the Capital Budget/Program for each operation, inclusive of the Budget Narrative and Information Section, Adoption Certification and resolution with recorded vote, within ten (10) days after adoption.

**NOTE: The Authority is required to file a budget for each type of operation provided by the Authority pursuant to N.J.A.C. 5:31-2.1(j). The Financial Schedules section of the budget allows for up to six operations to be included on one budget document. If an Authority has more than six operations, it should contact the Division for instructions.**

**LATE BUDGET RESOLUTION**

Authority Budgets not submitted to the Division within the statutory time period must be accompanied by a resolution of the governing body setting forth the reasons for the delay in submitting the budget timely, pursuant to N.J.A.C. 5:31-2.5(a) and (b).

**AVAILABLE ASSISTANCE**

After reviewing the budget forms and reading the instructions, if questions remain, contact the Bureau of Authority Regulation at (609) 633-6238 to request assistance. Please do so as early as possible **before** introducing the budget.

**PRELIMINARY REVIEW OF THE 2020 (2020-2021) AUTHORITY BUDGET**

 **FORM AND CONTENT**

 Familiarity with the arrangement and content of the budget document will be helpful in following the instructions. It is suggested the preparer first review the form and content, especially if this is the preparer's first occasion preparing the budget.

 Financial Schedules pages F-3 and F-5 should be completed first for the prior year adopted budget information. Only cells highlighted yellow require input. The data input in these cells will carry through to the rest of the Financial Schedules.

Financial Schedules pages F-2, F-4, F-6, F-7, and F-8, and Capital Budget pages CB-3, CB-4 and CB-5 should be completed next for the proposed budget. Only cells Boxed squared single line all around . The data input in these cells will carry through to the rest of the Financial Schedules.

No input is required on page F-1. This page will automatically populate from the data entered on other pages. Page F-1 should be reviewed carefully to ensure that the anticipated surplus is greater than or equal to zero. An Authority may not budget for a deficit for any operation pursuant to statute.

**HOUSING AUTHORITY BUDGET**

**Cover Sheet (This is in Excel Workbook)**

***Certification Section***

**Page C-1:** Director's Certification (Division Use Only).

**Page C-2:** Preparer's Certification of the Proposed Authority Budget.

**Page C-3:** Approval Certification of the Proposed Authority Budget.

**Page C-4**: Internet Website Certification

**Page C-5:** Authority Budget Resolution introducing and approving the Proposed Annual and Capital Budget/Program, and recorded vote.

**Page C-6:**  Adoption Certification of the Authority budget.

**Page C-7:** Authority Budget Resolution adopting the Annual and Capital Budget/Program, and recorded vote.

***Narrative and Information Section***

**Page N-1:** Authority Budget Message and Analysis

**Page N-2:**  Authority Contact Information

**Page N-3:** Informational Questionnaire

**Page N-4:** Schedule of Commissioners, Officers, Key Employees, Highest Compensated Employees and Independent Contractors

**Page N-5:** Schedule of Health Benefits – Detailed Cost Analysis

**Page N-6:** Schedule of Accumulated Liability for Compensated Absences

**Page N-7:** Schedule of Shared Service Agreements

***Financial Schedules Section***

**Page F-1:** Budget Summary

**Page F-2:**  Revenue Schedule

**Page F-3:**  Prior Year Revenue Schedule

**Page F-4:**  Appropriations Schedule

**Page F-5:**  Prior Year Appropriations Schedule

**Page F-6:**  Debt Service Schedule – Principal

**Page F-7:** Debt Service Schedule – Interest

**Page F-8:**  Net Position Reconciliation

**CAPITAL BUDGET/PROGRAM**

**Page CB-1:** Certification of the Capital Budget/Program

**Page CB-2:** Capital Budget/Program message

**Page CB-3:** Proposed Capital Budget

**Page CB-4:** Five Year Capital Improvement Plan

**Page CB-5:** Five Year Capital Improvement Plan Funding Sources

**STEP 1**

**COMPLETING THE CURRENT YEAR ADOPTED BUDGET INFORMATION**

 Refer to the prior Year adopted budgets certified by the Director for all operations, including any amendments.

 Enter the prior year adopted budget amounts on Pages F-3 and F-5 for all operations in the appropriate line items.

Totals for Revenues and Appropriations **MUST AGREE TO THE PRIOR YEAR ADOPTED BUDGET (INCLUDING ALL AMENDMENTS AFTER ADOPTION APPROVED BY THE DIVISION**  All totals and subtotals will automatically calculate. Only enter data in the yellow highlighted cells.

*On the Division’s spreadsheet, click on the first tab (in Red) (bottom of spreadsheet) labeled “Input Data.” Insert the Authority’s name, fiscal year and types of operation, year fiscal year starts and ends, web site address in the appropriate cells. This will automatically place this information throughout the spreadsheet.*

**STEP 2**

**COMPLETING THE PROPOSED BUDGET REVENUE INFORMATION**

**ANTICIPATED REVENUES**

 Anticipated Revenues on Page F-4 are separated into Operating and Non-Operating Revenues. Each revenue item listed must be completed as to the categories on the spreadsheet. If additional space is required for other itemized revenues, attach a separate page and only insert the total of the attached schedule(s) on Page F-3 for that category. Include the supporting documentation to substantiate any revenue sources with a significant variance from the prior year (**i.e. rate resolutions, grant documents, etc.**). Input is only required in yellow highlighted cells. Totals and subtotals will automatically calculate, and totals will carry through to other pages of the budget document.

**STEP 3**

**COMPLETING THE FIVE-YEAR DEBT SERVICE SCHEDULES**

Completion of the schedules on Pages F-6 and F-7 are required when an Authority appropriates funds for the payment of maturing principal and/or interest for notes, bonds, capital leases, intergovernmental loans, and other obligations.

**PRINCIPAL PAYMENTS**

Enter the principal maturity for each obligation of the Authority by operation on Page F-6. Maturity schedules **should agree to the most recent audit report for the Authority**. If there has been a change in the maturity schedule of an obligation since the most recent audit, or if there are new obligations listed on the schedule that were not included in the most recent audit, provide the supporting maturity schedule of the obligation that supports the amounts shown on Page F-6.

**INTEREST PAYMENTS**

Enter the interest payments for each obligation of the Authority by operation on Page F-7. Interest payments **should agree to the most recent audit report for the Authority**. If there has been a change in the maturity schedule of an obligation since the most recent audit, or if there are new obligations listed on the schedule that were not included in the most recent audit, provide the supporting maturity schedule of the obligation that supports the amounts shown on Page F-7.

**STEP 4**

**COMPLETING THE PROPOSED BUDGET APPROPRIATIONS INFORMATION**

N.J.S.A. 40A:5A-10 requires that each Authority shall submit a budget for each fiscal year to the director prior to its adoption thereof. The budget shall comply with the terms and provisions of any bond resolutions and shall be in such form and detail as to items of revenue, expenditure and other content as shall be required by law or by rule and regulations of the Local Finance Board. Further, N.J.S.A\_40A:5A-11 states that no Authority budget shall be finally adopted until the director shall have approved same. In granting the approval, the director shall consider, among other things, whether or not, items of appropriation are properly set forth.

In the above regard, N.J.A.C. 5:31-2.1 and 2.3 sets forth the procedures for preparation, introduction, approval and adoption of an authority budget, including how appropriations are to be classified and presented in the documents to be submitted to the Director.

**OPERATING APPROPRIATIONS**

*(Page F-4)*

*Administration – Salary & Wages*

An Administration Salary & Wage position is a position whereby compensation is provided an employee of the Authority who has administrative duties. Enter the total for Administration Salary & Wages on this line.

*Administration – Fringe Benefits*

Enter the total amount of fringe benefit expense for the present or future benefit of administrative employees. Enter the Total Administration Fringe Benefits on this line. The following is an example of fringe benefits:

Pension Contributions

Social Security and Medicare Taxes

Unemployment Compensation Insurance Premiums

Workers Compensation Insurance Premiums

Life Insurance

Health and Accident Insurance

Hospital, Medical and Surgical Insurance

Major Medical Insurance

Dental Plans

Vision Plans

Other Group Insurance Plans For Employees

Payments in lieu of benefits

Auto allowances and other non-accountable expense allowances

***DO NOT INCLUDE amounts paid by employees through payroll deductions or by other means.***

*Administration – Other Expenses*

Other expenses include administrative costs not provided for in Salary & Wages or Fringe Benefits. Itemize other administrative expenses by type. If additional space is required, attach a separate schedule and enter only the total of the separate schedule on Page F-4 in the yellow highlighted cells. Expenses described as “miscellaneous” may not exceed 5% of the total operating appropriations for the year by operation. If the amount reported as “miscellaneous” is greater than 5% of total operating appropriations, then the amount must be further itemized as to the nature of the expenses.

*Cost of Providing Services - Salary & Wages*

A Cost of Providing Services Salary & Wage position is a position whereby compensation is provided an employee of the Authority who does not have administrative duties and whose functions are largely operational. Enter the Total Cost of Providing Services Salary & Wages on this line.

*Cost of Providing Services – Fringe Benefits*

Enter the total amount of fringe benefit expense for the present or future benefit of service providing employees. Enter the Total Cost of Providing Services Fringe Benefits on this line. See “Administration – Fringe Benefits” section above for examples of fringe benefits.

*Cost of Providing Services – Other*

Other Expenses include Cost of Providing Service costs not provided for in Salary & Wages or Fringe Benefits. Itemize other Cost of Providing Services expenses by type in the space provided. If additional space is required, attach a separate schedule and enter only the total of the separate schedule on Page F-4 in the yellow highlighted cells. Expenses described as “miscellaneous” may not exceed 5% of the total operating appropriations for the year by operation. If the amount reported as “miscellaneous” is greater than 5% of total operating appropriations, then the amount must be further itemized as to the nature of the expenses.

*Accumulated Deficit*

If appropriate, enter the amount of the Accumulated Deficit required to be included in the proposed budget. If an Authority has an accumulated deficit for any operation, it must provide a plan to reduce and eventually eliminate the deficit.

**UNRESTRICTED NET ASSETS/ACCUMULATED DEFICIT ANALYSIS**

*(Page F-8)*

In order to determine the amount of Unrestricted Net Position available to be utilized or the Accumulated Deficit to be raised in the proposed Authority Budget, complete Page F-8.

If the amount of Unrestricted Net Position available to be utilized is less than zero, this amount must be raised in the proposed budget as an Accumulated Deficit per above. If this amount is positive, then this amount represents net position currently available to be utilized in the proposed budget, for any lawful purpose. The amount of unrestricted net position utilized to balance the proposed budget plus the amount appropriated to the municipality/county may not exceed the amount of unrestricted net position available to be utilized in the proposed budget. In addition, the amount appropriated to the municipality/county may not exceed 5% of total operating appropriations by operation.

**STEP 5**

**COMPLETING THE BUDGET NARRATIVE AND INFORMATION SECTION**

Pursuant to N.J.A.C. 5:31-2.1(d), every Authority budget must be prefaced by a narrative explanation describing the impact of the proposed plan, known as a Budget Message. The contents of the message will be considered assertions made by the governing body approving the introduction and adoption of the budget. Answer the questions in the narrative section completely and attach additional information as required**. If questions are not answered completely or required information is not attached, the approval of the budget by the Division will be delayed until the required information is provided. Some questions will be not applicable to your Authority and can be answered as such.**

**STEP 6**

**COMPLETING THE RESOLUTION APPROVING THE PROPOSED BUDGET**

*(Page C-5)*

Paragraphs one, two and three of the approving resolution should be completed prior to the introduction of the budget and are reflective of the Total Anticipated Revenues, Total Anticipated Operating and Non-Operating Appropriations, including any Accumulated Deficit, Total Capital Appropriations, and Total Unrestricted Net Position Utilized.

The recorded vote should be completed by the secretary, and the secretary's certification should be completed within 10 days after the approval of the budget.

**ALL CERTIFYING SIGNATURES MUST BE HAND-WRITTEN.**

**STEP 7**

**COMPLETING THE PREPARER'S CERTIFICATION**

*(Page C-2)*

Enter the proper name of the Authority and the fiscal year period and dates where applicable.

Enter the preparer's name, title, address and telephone/fax numbers and e-mail address where the preparer can be reached to answer questions. Please include telephone extension numbers if appropriate. An e-mail address must be provided where the preparer can be reached so that budget examination notes can be submitted electronically to the preparer. If an e-mail address is not provided, this will delay the Division’s approval of the budget.

**COMPLETING THE APPROVAL CERTIFICATION**

*(Page C-3)*

Enter the proper name of the Authority and the fiscal year period and dates where applicable.

Enter the name, title, address and telephone/fax number and e-mail address for an officer of the Authority that has responsibility for the budget.For example, the Authority’s Executive Director, Chief Financial Officer or equivalent, Secretary, Treasurer, Chairman, etc. may certify the approved budget. If a third party preparer is being used to prepare the budget package on behalf of the Authority, the third party preparer may not sign Page C-3. Page C-3 must be signed only by an officer of the Authority. An e-mail address must be provided where the officer can be reached so that they can be copied on all correspondence with the preparer relating to the Division’s examination of the budget.

**COMPLETING THE AUTHORITY INTERNET WEBSITE CERTIFICATION**

*(Page C-4)*

Confirm statutory compliance by checking the boxes for each item on Page C-4. An officer of the Authority is required to sign this form to certify compliance. Please make sure that all items listed are included on the Authority’s website in compliance with the statute before submitting the budget package to the Division. Budgets will not be approved until the Authority’s website is in full compliance with the statute.

**STEP 8**

**COMPLETING THE CAPITAL BUDGET CERTIFICATION**

*(Page CB-1)*

Enter the proper name of the Authority and the fiscal year as appropriate. Enter the name, title, address and telephone/fax number and e-mail address for an officer of the Authority that has responsibility for the budget.For example, the Authority’s Executive Director, Chief Financial Officer or equivalent, Secretary, Treasurer, Chairman, etc. may certify the approved budget. If a third-party preparer is being used to prepare the budget package on behalf of the Authority, the third party preparer may not sign Page CB-1. Page CB-1 must be signed only by an officer of the Authority. An e-mail address must be provided where the officer can be reached so that they can be copied on all correspondence with the preparer relating to the Division’s examination of the budget.

Check the appropriate box and either attach a completed Capital Budget/Program or give reasons for non-submission thereof.

**COMPLETING THE CAPITAL BUDGET PROGRAM MESSAGE**

*(Page CB-2)*

Pursuant to N.J.A.C. 5:31-2.2(f), every Authority Capital Budget must be prefaced by an explanation of the contents by answering questions posed. This explanation is known as a Capital Budget Message. The contents of the message will be considered approved by every Authority member approving the introduction and adoption of the annual budget. A brief statement should be prepared for each question.

**COMPLETING THE PROPOSED BUDGET CAPITAL IMPROVEMENT PLAN**

*(Page CB-3)*

Complete the proposed budget Capital Budget listing the projects, the estimated total cost, and the anticipated funding sources to be utilized by operation. If additional space is required, a separate schedule listing the projects for each operation should be attached and only the total of all proposed projects for that operation entered into Page CB-3.

**COMPLETING THE 5 YEAR CAPITAL IMPROVEMENT PLAN**

*(Page CB-4)*

Complete the five (5) year Capital Program listing the projects, the estimated total cost and the anticipated year of expenditure of Authority funds, for the five years immediately following the proposed Budget Year for each operation. Enter information only into the yellow highlighted boxes. If additional space is required, a separate schedule listing the projects for each operation should be attached and only the total of all proposed projects for that operation entered into Page CB-4.

**COMPLETING THE 5 YEAR CAPITAL PLAN FUNDING SOURCES**

*(Page CB-5)*

Complete the 5-year Capital Program listing the projects, the estimated total cost, and the anticipated funding sources, for the five years immediately following the Proposed Budget Year for each operation. Enter information only into the yellow highlighted boxes. If additional space is required, a separate schedule listing the projects for each operation should be attached and only the total of all proposed projects for that operation entered into Page CB-5.

**STEP 9**

**PRINTING BUDGET PAGES USING EXCEL**

**To print entire budget sections:** Select File. Select Print. In the lower left-hand corner of the print box, print what; select Entire Workbook. Select OK.

**To print individual pages:** Select the individual tab along the bottom of the worksheet for the page to be printed. Select File. Select Print. Select OK.

After both the Word and Excel portions of the budget have been printed, the pages should be assembled according to the order detailed in the “Authority Budget” section on Page 3 of these instructions. Any attachments and additional schedules should be placed immediately after the related page. For example, if a separate schedule of capital projects is included because additional space was required for Page CB-3, the schedule should be placed immediately after Page CB-3 and before Page CB-4 in the budget package.

**Steps are for after introduced budget filed and Budget has been adopted**

**STEP 10**

**COMPLETING THE ADOPTION CERTIFICATION**

*(Page C-6)*

Enter the proper name of the Authority and the fiscal year period and dates where applicable. Enter the name, title, address and telephone/fax number and e-mail address for an officer of the Authority that has responsibility for the budget.For example, the Authority’s Executive Director, Chief Financial Officer or equivalent, Secretary, Treasurer, Chairman, etc. may certify the adopted budget. If a third-party preparer is being used to prepare the budget package on behalf of the Authority, the third-party preparer may not sign Page C-6. Page C-6 must be signed only by an officer of the Authority. An e-mail address must be provided where the officer can be reached.

**COMPLETING THE RESOLUTION ADOPTING THE PROPOSED BUDGET**

*(Page C-7)*

Paragraphs one, two and three of the approving resolution should be completed prior to the adoption of the budget and are reflective of the Total Anticipated Revenues, Total Anticipated Operating and Non-Operating Appropriations, including any Accumulated Deficit, Total Capital Appropriations, and Total Unrestricted Net Position Utilized. If the budget as introduced is being amended, the adoption resolution should reflect the amended amounts for Total Anticipated Revenues, etc. The recorded vote should be completed by the secretary, and the secretary's certification should be completed within 10 days after the adoption of the budget.

*Pursuant to N.J.S.A. 40A:5A-11 - "No Authority budget shall be finally adopted until the Director shall have approved same." If the Authority adopts the budget before the Division has granted its approval of the budget, the adoption is invalid, and the Authority must re-adopt the budget after the Division has granted its approval of the budget.*

State of New Jersey

Department of Community Affairs

**Division of Local Government Services**

**PROPOSED INTRODUCED HOUSING AUTHORITY BUDGET**

***INTRODUCED* BUDGET TRANSMITTAL PACKAGE**

Submit all budget related materials in one package to*: Bureau of Authority Regulation Affairs, Division of Local Government Services, 101 South Broad Street, P.O. Box 803, Trenton, NJ 08625-0803*. Check the box of each item to indicate that it is included in budget or has been completed.

**Proposed Introduced Authority Budget Document**

#  [ ]  2 copies of the Introduced budget document that includes all pages completed

 [ ]  Authority Name and Fiscal Year are filled in

 [ ]  Signature blocks on Pages C-2, C-3, and C-4 are filled in along with title, address, e-mail address, phone number and fax number.

 [ ]  Page C-5 Resolution of the Authority governing body approving the introduced budget is enclosed with recorded vote

 **Note: Aye Votes must total a majority of the full membership of the governing body (Not including Alternates in total)**

 [ ]  Page C-5 Proposed hearing date for adoption of Budget reflected in Authority Budget Resolution

 [ ]  Page C-5 Authority Budget Resolution is signed with original handwritten signature

 [ ]  Budget Narrative (N Pages) and Information Section is complete (All items answered or indicated N/A)

 [ ]  Pages N-6 and F-8 applicable amounts agree to the most recent issued audit report of the Authority

 [ ]  Sheets not completed have an explanation on them (Such as Authority has no Debt Service)

**Introduced Capital Budget (Page CB-1 through CB-5)**

 [ ]  Authority Name and Fiscal Year are filled in

 [ ]  Signature blocks on Page CB-1 are filled in along with title, address, e-mail address, phone number and fax number

 and proper Box Checked off (Top Box 1 Have a Capital Budget **or** Bottom Box 2 Don’t have a Capital Budget)

 [ ]  Page CB-2-- has all questioned answered or an explanation why question does not apply

 [ ]  Page CB-5—Balance Check amount equals Zero

|  |  |
| --- | --- |
| Official’s Signature: |  |
| Name: |  |
| Title: |  |
| Address: |  |
| Phone Number: |  | Fax Number: |  |
| E-mail address: |  |

State of New Jersey

Department of Community Affairs

**Division of Local Government Services**

 **ADOPTED HOUSING AUTHORITY BUDGET**

***ADOPTED* BUDGET TRANSMITTAL PACKAGE (After Adoption of Budget)**

Submit all budget related materials in one package to*: Bureau of Authority Regulation Affairs, Division of Local Government Services, 101 South Broad Street, P.O. Box 803, Trenton, NJ 08625-0803*. Check the box of each item to indicate that it is included in budget or has been completed.

**Adopted Authority Budget Document**

#  [ ]  2 copies of the Adopted budget document submitted that includes all pages completed

#  [ ]  All items on the **Introduced** Budget Transmittal Package completed and included

 [ ]  Page C-6 Signed with Manual Signature along with title, address, e-mail address, phone number and fax number.

 [ ]  Page C-7 Resolution of the Authority governing body approving the introduced budget is enclosed with recorded vote

 **Note: Aye Votes must total a majority of the full membership of the governing body (Not including Alternates in total)**

**PDF of Adopted Budget (All pages)**

[ ]  Submit a pdf copy of the budget package (Adopted) to ***authoritiesunit@dca.nj.gov*** with the name of the authority in the **subject line along with wording Adopted Budget**.

|  |  |
| --- | --- |
| Official’s Signature: |  |
| Name: |  |
| Title: |  |
| Address: |  |
| Phone Number: |  | Fax Number: |  |
| E-mail address: |  |