



**WANAQUE NORTH PROJECT
2021 FINAL BUDGET**

December 16, 2020

**NORTH JERSEY DISTRICT WATER SUPPLY COMMISSION
WANAQUE NORTH PROJECT
2021 BUDGET HIGHLIGHTS**

The North Jersey District Water Supply Commission is pleased to announce the proposed 2021 Budget with no change in net assessments over the 2020 Budget.

The Commission has prepared the 2021 Budget with careful consideration of the current economic challenges that our participating municipalities continue to face. The Commission has systemically reviewed all departments in an effort to minimize increases, or where possible, reduce budgetary expenses.

Appropriations for the 2021 Budget total approximately \$40.7M, an increase of \$790K (1.98%) from the 2020 Budget. The increase is the net result of a \$367K (17.11%) increase in debt service along with a modest \$384K (1.22%) increase in operating costs. Capital investment also increased slightly over the 2020 level by \$39K (0.62%). The Commission continues to invest a significant amount in capital this year and will do so in future years due to the ongoing rehabilitation and replacement of critical Commission infrastructure. The capital items listed on Page 5 are for projects not included for funding in the New Jersey Infrastructure Bank financing program.

Increased operating items include salaries & wages, materials & supplies, services contractual and miscellaneous items, offset by reductions in repairs & maintenance and the purchase of equipment. Based upon recent efforts of Commission staff along with our consultants, the Commission has secured property tax reductions which will be reflected in this year's budget. The Commission will also benefit from favorable health insurance costs associated with the NJ State Health Benefit Plan. A new agreement for the discharge of liquid residuals via existing sewer lines with help with the overall efficiency of the Commission's operation. This new charge is reflected in the Water & Sewer line item.

It is the opinion of Commission staff that the 2021 spending plan is sufficient to meet operating, capital and debt service costs as reflected in the Budget. It is anticipated that the net municipal assessments, together with the application of miscellaneous sources of revenue, will be sufficient to fund the 2021 spending plan.

The Wanaque North municipalities include the City of Newark, Passaic Valley Water Commission (representing Paterson, Passaic and Clifton), Kearny, Montclair, Bloomfield and Glen Ridge.

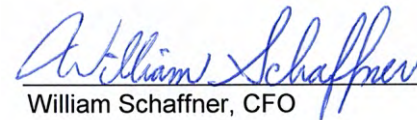
**NORTH JERSEY DISTRICT WATER SUPPLY COMMISSION
WANAQUE NORTH PROJECT
BUDGET OVERVIEW**

	2019 APPROPRIATION	2020 APPROPRIATION	INCREASE/ (DECREASE)	2021 APPROPRIATION	% CHANGE
SOURCE OF REVENUE					
MUNICIPAL ASSESSMENTS	\$25,583,297	\$25,583,297	\$0	\$25,583,297	0.00%
SURPLUS / (DEFICIT) APPLIED	3,720,778	1,445,287	710,937	2,156,224	49.19%
INCOME AND OTHER TRANSFERS	12,376,283	12,859,915	78,736	12,938,651	0.61%
TOTAL REVENUES	\$41,680,358	\$39,888,499	\$789,673	\$40,678,172	1.98%
APPROPRIATIONS					
OPERATING	\$31,455,640	\$31,523,333	\$384,073	\$31,907,406	1.22%
CAPITAL	6,663,196	6,220,621	38,589	6,259,210	0.62%
DEBT SERVICE	3,561,522	2,144,545	367,011	2,511,556	17.11%
TOTAL ANNUAL APPROPRIATIONS	\$41,680,358	\$39,888,499	\$789,673	\$40,678,172	1.98%

BOARD OF COMMISSIONERS

Howard L. Burrell, Chairman
Charles P. Shotmeyer, Vice Chairman
Jerome P. Amedeo
Alan S. Ashkinaze
James L. Cassella
Robert C. Garofalo
Donald C. Kuser

SUBMITTED:


William Schaffner, CFO

December 16, 2020

**NORTH JERSEY DISTRICT WATER SUPPLY COMMISSION
WANAQUE NORTH PROJECT
BUDGET SUMMARY REPORT**

APPROPRIATION SUMMARY		2019 APPROPRIATION	2020 APPROPRIATION	INCREASE/ (DECREASE)	2021 APPROPRIATION	% CHANGE
APPROPRIATIONS						
	Regular	\$9,771,230	\$9,888,369	180,277	\$10,068,646	1.82%
	Over Time	104,500	104,500	25,000	129,500	23.92%
1	Total Salaries & Wages	\$9,875,730	\$9,992,869	205,277	\$10,198,146	2.05%
2	Materials & Supplies	351,150	349,325	7,425	356,750	2.13%
3	Services Contractual	3,557,200	3,842,650	190,550	4,033,200	4.96%
4	Repairs & Maintenance	950,700	1,031,700	(76,300)	955,400	-7.40%
5	Purchases of Equipment	155,750	154,900	(13,050)	141,850	-8.42%
6	Miscellaneous	101,900	99,750	6,600	106,350	6.62%
TOTAL DEPARTMENTAL EXPENSES		\$14,992,430	\$15,471,194	320,502	\$15,791,696	2.07%

**NORTH JERSEY DISTRICT WATER SUPPLY COMMISSION
WANAQUE NORTH PROJECT
BUDGET SUMMARY REPORT**

APPROPRIATION SUMMARY	2019 APPROPRIATION	2020 APPROPRIATION	INCREASE/ (DECREASE)	2021 APPROPRIATION	% CHANGE
Statutory Expenditures					
Real Estate Taxes	\$3,695,800	\$3,450,000	(\$230,000)	3,220,000	-6.67%
Pension	1,106,910	1,077,639	85,611	1,163,250	7.94%
NJ Build Assessment	200,000	200,000	0	200,000	N/A
Payroll Taxes	790,000	804,500	43,960	848,460	5.46%
7 Total Statutory Expenditures	\$5,792,710	\$5,532,139	(\$100,429)	\$5,431,710	-1.82%
Insurance					
Health Benefits	\$3,747,000	\$3,597,000	(\$248,000)	\$3,349,000	-6.89%
Health Benefits - Employee Contribution	(455,000)	(435,000)	(5,000)	(440,000)	1.15%
Workers Compensation	475,000	300,000	0	300,000	0.00%
General Insurance	1,145,000	1,315,000	245,000	1,560,000	18.63%
8 Total Insurances	\$4,912,000	\$4,777,000	(\$8,000)	\$4,769,000	-0.17%
Utilities					
Electric Power / Natural Gas	\$2,375,000	\$2,375,000	\$0	\$2,375,000	0.00%
Telephone / Data Communications	210,000	200,000	10,000	210,000	5.00%
Water & Sewer	20,000	18,000	148,000	166,000	822.22%
9 Total Utilities	\$2,605,000	\$2,593,000	\$158,000	\$2,751,000	6.09%
Polyaluminum Chloride	\$1,300,000	\$1,315,000	(\$120,000)	\$1,195,000	-9.13%
Sodium Hypochlorite	640,000	650,000	25,000	675,000	3.85%
Non Zinc Ortho Phosphate	300,000	315,000	15,000	330,000	4.76%
Other	795,000	745,000	40,000	785,000	5.37%
10 Total Chemicals	\$3,035,000	\$3,025,000	(\$40,000)	\$2,985,000	-1.32%
Fuel / Oil					
Gasoline	\$100,000	\$100,000	\$50,000	\$150,000	50.00%
Heating & Generator Fuel / Oil	18,500	25,000	4,000	29,000	16.00%
11 Total Fuel / Oil	\$118,500	\$125,000	\$54,000	\$179,000	43.20%
TOTAL NON DEPARTMENTAL	\$16,463,210	\$16,052,139	\$63,571	\$16,115,710	0.40%
Departmental Expense brought forward	\$14,992,430	\$15,471,194	\$320,502	\$15,791,696	2.07%
TOTAL OPERATING APPROPRIATIONS	\$31,455,640	\$31,523,333	\$384,073	\$31,907,406	1.22%

**NORTH JERSEY DISTRICT WATER SUPPLY COMMISSION
WANAQUE NORTH PROJECT
BUDGET SUMMARY REPORT**

APPROPRIATION SUMMARY		2019 APPROPRIATION	2020 APPROPRIATION	INCREASE/ (DECREASE)	2021 APPROPRIATION	% CHANGE
TOTAL OPERATING APPROPRIATIONS		\$31,455,640	\$31,523,333	\$384,073	\$31,907,406	1.22%
12	Debt Service	3,561,522	2,144,545	367,011	2,511,556	17.11%
13	Capital Items	6,663,196	6,220,621	38,589	6,259,210	0.62%
TOTAL APPROPRIATIONS		\$41,680,358	\$39,888,499	\$789,673	\$40,678,172	1.98%
REVENUES						
1	Wanaque South Participation	\$8,975,081	\$9,028,598	\$185,732	\$9,214,330	2.06%
2	Suez Participation	2,536,202	2,952,582	(11,253)	2,941,329	-0.38%
3	Anticipated Income / Transfers / Grants	865,000	878,735	(95,743)	782,992	-10.90%
4	Surplus Applied or Anticipated	3,720,778	1,445,287	710,937	2,156,224	49.19%
5	Municipal Assessments	25,583,297	25,583,297	0	25,583,297	0.00%
TOTAL REVENUES		\$41,680,358	\$39,888,499	\$789,673	\$40,678,172	1.98%
Cost per Million Gallons (Net)		\$745.65	\$745.65	\$0.00	\$745.65	0.00%

NORTH JERSEY DISTRICT WATER SUPPLY COMMISSION

CAPITAL BUDGET

2021

Description		North Share	South Share	Suez Share	Total Cost
1	Computer Upgrades	\$0	\$0	\$0	\$0
2	Lab Equipment Upgrade	\$0	\$0	\$0	\$0
3	Fleet / Mobile Equipment Replacement	\$0	\$0	\$0	\$0
4	Building Improvements / Renovations	\$0	\$0	\$0	\$0
5	Plant Facilities & Equipment				
	Tree Cutting	\$297,900	\$152,100	\$0	\$450,000
	Security Crash Gates	\$115,850	\$59,150	\$0	\$175,000
	LLPS Mezzanine Ventilation	\$66,200	\$33,800	\$0	\$100,000
	LLPS Rebuild/Rewind Motors	\$132,400	\$67,600	\$0	\$200,000
	Plant Valve Actuators	\$165,500	\$84,500	\$0	\$250,000
	PLC/SCADA Improvements	\$165,500	\$84,500	\$0	\$250,000
	Commission Owned Pipelines - Tier II Consulting	\$331,000	\$169,000	\$0	\$500,000
	Repairs to W/N Aqueduct	\$72,820	\$37,180	\$0	\$110,000
	Repairs to W/S Aqueduct	\$0	\$1,360,000	\$0	\$1,360,000
	Generator Replacement	\$264,800	\$135,200	\$0	\$400,000
	OTP Rehabilitaion	\$79,440	\$40,560	\$0	\$120,000
	Basin 1-4 Rehabilitation	\$4,203,700	\$2,146,300	\$0	\$6,350,000
	Filter Rehabilitation	\$231,700	\$118,300	\$0	\$350,000
	W/S Pump Station Improvements	\$0	\$750,000	750,000	\$1,500,000
	Total Plant Facilities & Equipment	\$6,126,810	\$5,238,190	\$750,000	\$12,115,000
6	Dams and Other Structures				
	Land Acquisition	\$132,400	\$67,600	\$0	\$200,000
	Total Dams and Other Structures	\$132,400	\$67,600	\$0	\$200,000
7	Capital Improvement Fund	\$0	\$0	\$0	\$0
	TOTAL CAPITAL BUDGET	\$6,259,210	\$5,305,790	\$750,000	\$12,315,000

**NORTH JERSEY DISTRICT WATER SUPPLY COMMISSION
WANAQUE NORTH PROJECT
ASSESSMENT BY MUNICIPALITY**

%	MUNICIPALITY	2019 ASSESSMENT	2020 ASSESSMENT	INCREASE / (DECREASE)	2021 ASSESSMENT
40.50%	NEWARK	\$10,361,235	\$10,361,235	\$0	\$10,361,235
20.00%	PATERSON	\$5,116,659	\$5,116,659	\$0	\$5,116,659
11.00%	PASSAIC	\$2,814,163	\$2,814,163	\$0	\$2,814,163
6.75%	CLIFTON	\$1,726,872	\$1,726,872	\$0	\$1,726,872
37.75%	PASSAIC VALLEY WATER COMM.	\$9,657,694	\$9,657,694	\$0	\$9,657,694
12.00%	KEARNY	\$3,069,996	\$3,069,996	\$0	\$3,069,996
5.00%	MONTCLAIR	\$1,279,165	\$1,279,165	\$0	\$1,279,165
4.00%	BLOOMFIELD	\$1,023,332	\$1,023,332	\$0	\$1,023,332
0.75%	GLEN RIDGE	\$191,875	\$191,875	\$0	\$191,875
100.00%	TOTAL ASSESSMENTS	\$25,583,297	\$25,583,297	\$0	\$25,583,297

**NORTH JERSEY DISTRICT WATER SUPPLY COMMISSION
WANAQUE NORTH PROJECT
BUDGET INSTALLMENTS
2021**

%	MUNICIPALITY	JAN 15 25%	APL 1ST 25%	JUL 1ST 25%	OCT. 1ST 25%	TOTAL
40.50%	NEWARK	\$2,590,308.75	\$2,590,308.75	\$2,590,308.75	\$2,590,308.75	\$10,361,235.00
20.00%	PATERSON	1,279,164.75	1,279,164.75	1,279,164.75	1,279,164.75	5,116,659.00
11.00%	PASSAIC	703,540.75	703,540.75	703,540.75	703,540.75	2,814,163.00
6.75%	CLIFTON	431,718.00	431,718.00	431,718.00	431,718.00	1,726,872.00
37.75%	PASSAIC VALLEY WATER	2,414,423.50	2,414,423.50	2,414,423.50	2,414,423.50	9,657,694.00
12.00%	KEARNY	767,499.00	767,499.00	767,499.00	767,499.00	3,069,996.00
5.00%	MONTCLAIR	319,791.25	319,791.25	319,791.25	319,791.25	1,279,165.00
4.00%	BLOOMFIELD	255,833.00	255,833.00	255,833.00	255,833.00	1,023,332.00
0.75%	GLEN RIDGE	47,968.75	47,968.75	47,968.75	47,968.75	191,875.00
100.00%	TOTAL INSTALLMENTS	\$6,395,824.25	\$6,395,824.25	\$6,395,824.25	\$6,395,824.25	\$25,583,297.00