



**WANAQUE NORTH  
2015 FINAL BUDGET**

**December 17, 2014**

**NORTH JERSEY DISTRICT WATER SUPPLY COMMISSION  
WANAQUE NORTH PROJECT  
2015 BUDGET HIGHLIGHTS**

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The North Jersey District Water Supply Commission is pleased to announce the proposed 2015 Budget with no change in net assessments over the 2014 Budget.

The Commission has prepared the 2015 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 2015 Budget total approximately \$38.6M, which is an increase of \$1.8M (4.9%) from the 2014 Budget. This increase in appropriations has been completely offset by increases in revenue stemming from the change in Safe Yield for the Wanaque South Project.

Operating costs are up \$625K (2.0%) year on year. This increase incorporates several factors including increases in Salary & Wages, Repairs & Maintenance and Chemical costs. These items are partially offset by a decrease in Statutory Expenses related to self funded Unemployment Insurance.

The Capital Budget has been increased by \$1.5M (147.4%) from the 2014 Budget while Debt Service has been decreased by \$307K (-6.7%) over the same time period. Both line items recognize that additional expenditures from the 5 Year Capital Plan will require new bonding.

It is the opinion of the Commission staff that the 2015 Spending Plan is sufficient to meet Operating, Capital and Debt Service costs as reflected in the Budget. The funding for the appropriations has been estimated and reflected on page 4 of the Budget. It is anticipated that the net assessments as shown on Page 6 along with application of miscellaneous sources of revenue will be sufficient to fund the 2015 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  
 WANAUKE NORTH PROJECT  
 BUDGET OVERVIEW**

	2013 APPROPRIATION	2014 APPROPRIATION	Increase (Decrease)	2015 APPROPRIATION	%
<b>SOURCE OF REVENUE</b>					
MUNICIPAL ASSESSMENT	\$25,599,885	\$25,583,297	\$0	\$25,583,297	0.00%
SURPLUS / (DEFICIT) APPLIED	0	0	0	0	0.00%
INCOME AND OTHER TRANSFERS	11,574,343	11,222,168	1,795,165	13,017,333	16.00%
<b>TOTAL REVENUES</b>	<b>\$37,174,227</b>	<b>\$36,805,465</b>	<b>\$1,795,165</b>	<b>\$38,600,630</b>	<b>4.88%</b>
<b>APPROPRIATIONS</b>					
OPERATING	\$31,333,574	\$31,208,093	\$625,474	\$31,833,567	2.00%
CAPITAL	1,547,040	1,001,639	1,476,368	2,478,007	147.40%
DEBT SERVICE	4,293,614	4,595,733	(306,677)	4,289,056	-6.67%
<b>TOTAL ANNUAL APPROPRIATIONS</b>	<b>\$37,174,228</b>	<b>\$36,805,465</b>	<b>\$1,795,165</b>	<b>\$38,600,630</b>	<b>4.88%</b>

**BOARD OF COMMISSIONERS**

Charles P. Shotmeyer, Chairman  
 Carmen A. Orechio, Vice Chairman  
 Jerome P. Amedeo  
 Alan S. Ashkinaze  
 Howard L. Burell  
 Robert C. Garofalo  
 Donald C. Kuser

SUBMITTED:

  
 William Schaffner, CFO

December 17, 2014

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

APPROPRIATION SUMMARY	2013 APPROPRIATION	2014 APPROPRIATION	Increase (Decrease)	2015 APPROPRIATION	% Change Over 2014 Budget
<b>APPROPRIATIONS</b>					
Regular	\$9,069,618	\$8,370,783	\$698,354	\$9,069,137	8.34%
Over Time	125,882	100,500	0	100,500	0.00%
<b>1 Total Salaries &amp; Wages</b>	<b>\$9,195,500</b>	<b>\$8,471,283</b>	<b>\$698,354</b>	<b>\$9,169,637</b>	<b>8.24%</b>
2 Materials & Supplies	313,600	331,150	(11,800)	319,350	-3.56%
3 Services Contractual	1,880,500	3,765,910	(169,710)	3,596,200	-4.51%
4 Repairs & Maintenance	992,500	592,580	208,200	800,780	35.13%
5 Purchases of Equipment	164,500	189,500	(400)	189,100	-0.21%
6 Miscellaneous	96,500	112,070	2,430	114,500	2.17%
<b>TOTAL DEPARTMENTAL EXPENSES</b>	<b>\$12,643,100</b>	<b>\$13,462,493</b>	<b>\$727,074</b>	<b>\$14,189,567</b>	<b>5.40%</b>

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

APPROPRIATION SUMMARY	2013 APPROPRIATION	2014 APPROPRIATION	Increase (Decrease)	2015 APPROPRIATION	%
<b>Statutory Expenditures</b>					
Real Estate Taxes	\$3,328,000	\$3,530,000	\$25,000	\$3,555,000	0.71%
Pension	1,250,000	1,100,000	(10,000)	1,090,000	-0.91%
Payroll Taxes	675,800	1,010,000	(252,200)	757,800	-24.97%
<b>7 Total Statutory Expenditures</b>	<b>\$5,253,800</b>	<b>\$5,640,000</b>	<b>(\$237,200)</b>	<b>\$5,402,800</b>	<b>-4.21%</b>
<b>Insurance</b>					
Health Benefits	\$5,557,050	\$4,243,700	(\$78,700)	\$4,165,000	-1.85%
Health Benefits - Employee Contribution	(360,000)	(330,000)	(85,000)	(415,000)	25.76%
Workers Compensation	523,500	575,850	(15,850)	560,000	-2.75%
General Insurance	1,945,800	2,096,300	103,700	2,200,000	4.95%
<b>8 Total Insurances</b>	<b>\$7,666,350</b>	<b>\$6,585,850</b>	<b>(\$75,850)</b>	<b>\$6,510,000</b>	<b>-1.15%</b>
<b>Utilities</b>					
Electric Power	\$2,469,324	\$2,300,000	\$0	\$2,300,000	0.00%
Telephone	263,000	213,750	51,250	265,000	23.98%
Other	42,000	42,000	0	42,000	0.00%
<b>9 Total Utilities</b>	<b>\$2,774,324</b>	<b>\$2,555,750</b>	<b>\$51,250</b>	<b>\$2,607,000</b>	<b>2.01%</b>
<b>Chemicals</b>					
Polyaluminum Chloride	\$945,000	\$950,000	\$28,500	\$978,500	3.00%
Hypochloride	550,000	515,000	15,450	530,450	3.00%
Non Zinc Ortho Phosphate	300,000	450,000	13,500	463,500	3.00%
Other	1,034,000	885,000	82,750	967,750	9.35%
<b>10 Total Chemicals</b>	<b>\$2,829,000</b>	<b>\$2,800,000</b>	<b>\$140,200</b>	<b>\$2,940,200</b>	<b>5.01%</b>
<b>Fuel</b>					
Gasoline	\$147,000	\$155,000	\$20,000	\$175,000	12.90%
Heating Oil	20,000	9,000	0	9,000	0.00%
<b>11 Total Fuels</b>	<b>\$167,000</b>	<b>\$164,000</b>	<b>\$20,000</b>	<b>\$184,000</b>	<b>12.20%</b>
<b>TOTAL NON DEPARTMENTAL</b>	<b>\$18,890,474</b>	<b>\$17,745,600</b>	<b>(\$101,600)</b>	<b>\$17,644,000</b>	<b>-0.57%</b>
<b>Departmental Expense brought forward</b>	<b>\$12,643,100</b>	<b>\$13,462,493</b>	<b>\$727,074</b>	<b>\$14,189,567</b>	<b>5.40%</b>
<b>TOTAL OPERATING APPROPRIATIONS</b>	<b>\$31,333,574</b>	<b>\$31,208,093</b>	<b>\$625,474</b>	<b>\$31,833,567</b>	<b>2.00%</b>

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

APPROPRIATION SUMMARY		2013 APPROPRIATION	2014 APPROPRIATION	Increase (Decrease)	2015 APPROPRIATION	%
<b>TOTAL OPERATING APPROPRIATIONS</b>		<b>\$31,333,574</b>	<b>\$31,208,093</b>	<b>\$625,474</b>	<b>\$31,833,567</b>	<b>2.00%</b>
12	Debt Service	4,293,614	4,595,733	(306,677)	4,289,056	-6.67%
13	Capital Items	1,547,040	1,001,639	1,476,368	2,478,007	147.40%
<b>TOTAL APPROPRIATIONS</b>		<b>\$37,174,228</b>	<b>\$36,805,465</b>	<b>\$1,795,165</b>	<b>\$38,600,630</b>	<b>4.88%</b>
<b>REVENUES</b>						
1	Wanaque South Participation	\$7,847,505	\$7,852,273	\$1,091,277	\$8,943,550	13.90%
2	UWNJ Participation	2,896,950	2,609,895	703,888	3,313,783	26.97%
3	Anticipated Income /Transfers	829,888	760,000	0	760,000	0.00%
4	Surplus Applied or Anticipated	0	0	0	0	N/A
5	Municipal Assessments	25,599,885	25,583,297	0	25,583,297	0.00%
<b>TOTAL REVENUES</b>		<b>\$37,174,228</b>	<b>\$36,805,465</b>	<b>\$1,795,165</b>	<b>\$38,600,630</b>	<b>4.88%</b>
Cost per Million Gallons (Net)		\$746.13	\$745.65	\$0.00	\$745.65	

**NORTH JERSEY DISTRICT WATER SUPPLY COMMISSION  
CAPITAL BUDGET  
2015**

Description	North Share	South Share	United Water Share	Total Cost
<b>1 Computer Upgrades</b>	\$132,400	\$71,000	\$0	\$203,400
<b>2 Lab Equipment Upgrade</b>	-	-	-	-
<b>3 Fleet / Mobile Equipment Replacement</b>	212,833	108,667	0	321,500
<b>4 Building Improvements / Renovations</b>	-	-	-	-
Upgrades to Original Plant Infrastructure	1,132,774	0	0	1,132,774
<b>5 Plant Facilities &amp; Equipment</b>	<u>\$1,132,774</u>	<u>\$0</u>	<u>\$0</u>	<u>\$1,132,774</u>
Regional Interconnection Study	\$1,000,000	\$0	\$0	1,000,000
Monksville Dam Resealing	0	0	\$72,000	\$72,000
W/S & Ramapo Pump Station Cameras	0	0	\$125,000	\$125,000
<b>6 Dams and Other Structures</b>	<u>\$1,000,000</u>	<u>\$0</u>	<u>\$197,000</u>	<u>\$1,197,000</u>
<b>7 Miscellaneous Items</b>	-	-	-	-
<b>TOTAL CAPITAL BUDGET</b>	<u><u>\$2,478,007</u></u>	<u><u>\$179,667</u></u>	<u><u>\$197,000</u></u>	<u><u>\$2,854,674</u></u>
CARRY TO PAGE 4 LINE 13				

Additional expenditures from the 5 Year Capital Plan will be funded through new bonding or self funding.

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

%	MUNICIPALITY	2013 ASSESSMENT	2014 ASSESSMENT	INCREASE / (DECREASE)	2015 ASSESSMENT
40.50%	<b>NEWARK</b>	\$10,367,953	\$10,361,235	\$0	\$10,361,235
20.00%	<i>PATERSON</i>	\$5,119,977	\$5,116,659	\$0	\$5,116,659
11.00%	<i>PASSAIC</i>	\$2,815,987	\$2,814,163	\$0	\$2,814,163
6.75%	<i>CLIFTON</i>	\$1,727,992	\$1,726,872	\$0	\$1,726,872
37.75%	<b>PASSAIC VALLEY WATER COMM.</b>	\$9,663,957	\$9,657,694	\$0	\$9,657,694
12.00%	<b>KEARNY</b>	\$3,071,986	\$3,069,996	\$0	\$3,069,996
5.00%	<b>MONTCLAIR</b>	\$1,279,994	\$1,279,165	\$0	\$1,279,165
4.00%	<b>BLOOMFIELD</b>	\$1,023,995	\$1,023,332	\$0	\$1,023,332
0.75%	<b>GLEN RIDGE</b>	\$191,999	\$191,875	\$0	\$191,875
100.00%	<b>TOTAL ASSESSMENTS</b>	<b>\$25,699,885</b>	<b>\$25,583,297</b>	<b>\$0</b>	<b>\$25,583,297</b>



**NORTH JERSEY DISTRICT WATER SUPPLY COMMISSION  
 WANAQUE NORTH PROJECT  
 BUDGET INSTALLMENTS  
 2015**

<b>%</b>	<b>MUNICIPALITY</b>	<b>JAN 15 25%</b>	<b>APL 1ST 25%</b>	<b>JUL 1ST 25%</b>	<b>OCT. 1ST 25%</b>	<b>TOTAL</b>
<b>40.50%</b>	<b>NEWARK</b>	<b>\$2,590,308.75</b>	<b>\$2,590,308.75</b>	<b>\$2,590,308.75</b>	<b>\$2,590,308.75</b>	<b>\$10,361,235.00</b>
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
<b>37.75%</b>	<b>PASSAIC VALLEY WATER</b>	<b>2,414,423.50</b>	<b>2,414,423.50</b>	<b>2,414,423.50</b>	<b>2,414,423.50</b>	<b>9,657,694.00</b>
<b>12.00%</b>	<b>KEARNY</b>	<b>767,499.00</b>	<b>767,499.00</b>	<b>767,499.00</b>	<b>767,499.00</b>	<b>3,069,996.00</b>
<b>5.00%</b>	<b>MONTCLAIR</b>	<b>319,791.25</b>	<b>319,791.25</b>	<b>319,791.25</b>	<b>319,791.25</b>	<b>1,279,165.00</b>
<b>4.00%</b>	<b>BLOOMFIELD</b>	<b>255,833.00</b>	<b>255,833.00</b>	<b>255,833.00</b>	<b>255,833.00</b>	<b>1,023,332.00</b>
<b>0.75%</b>	<b>GLEN RIDGE</b>	<b>47,968.75</b>	<b>47,968.75</b>	<b>47,968.75</b>	<b>47,968.75</b>	<b>191,875.00</b>
<b>100.00%</b>	<b>TOTAL INSTALLMENTS</b>	<b>\$6,395,824.25</b>	<b>\$6,395,824.25</b>	<b>\$6,395,824.25</b>	<b>\$6,395,824.25</b>	<b>\$25,583,297.00</b>