



**WANAQUE SOUTH PROJECT
2016 FINAL BUDGET**

December 16, 2015

**NORTH JERSEY DISTRICT WATER SUPPLY COMMISSION
WANAQUE SOUTH PROJECT
2016 BUDGET HIGHLIGHTS**

The North Jersey District Water Supply Commission is pleased to announce the proposed 2016 Budget with no change in the water rate over the 2015 Budget. Municipal assessments for all towns will remain the same except for Bloomfield and Wayne which have increased their contractual allotments within the Wanaque South Project.

The Commission has prepared the 2016 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 2016 Budget total approximately \$18.1M. This represents an increase of \$165K (0.9%) from the 2015 Budget. The main increase in appropriations is in Direct Costs resulting from anticipated electric utility and maintenance expenses at the Commission's two pump stations to combat drought conditions that are expected to continue into 2016.

The Capital Budget has been increased by a modest \$23K (12.9%) from the 2015 Budget. During 2015, additional Capital funding was obtained through the issuance of Commission bonds as well as by accessing the New Jersey Infrastructure Trust Financing Program. This resulted in a minimal need for additional Capital appropriations in the 2016 Budget. In addition, Debt Service has increased by \$12K (0.2%) over the same time period.

It is the opinion of the Commission staff that the 2016 Spending Plan is sufficient to meet Operating, Capital and Debt Service costs as reflected in the Budget. The Commission staff anticipates that the net assessments along with application of miscellaneous items of revenue will be sufficient to fund the 2016 Spending Plan.

The South Project municipalities include the City of Newark, Bayonne, Wayne, Kearny, Nutley, Bloomfield and Cedar Grove.

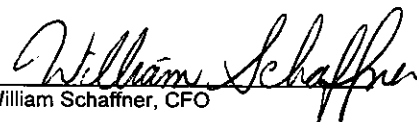
**NORTH JERSEY DISTRICT WATER SUPPLY COMMISSION
 WANAQUE SOUTH PROJECT
 BUDGET OVERVIEW**

	2014 APPROPRIATION	2015 APPROPRIATION	INCREASE (DECREASE)	2016 APPROPRIATION	
SOURCE OF REVENUE					
MUNICIPAL ASSESSMENT	\$15,913,130	\$15,913,130	\$439,123	\$16,352,253	2.76%
SURPLUS / (DEFICIT) APPLIED	1,010,332	1,960,612	(1,589,130)	371,482	-81.05%
INCOME AND OTHER TRANSFERS	65,000	70,000	1,314,700	1,384,700	1878.14%
TOTAL REVENUES	\$16,988,462	\$17,943,742	\$164,693	\$18,108,435	0.92%
APPROPRIATIONS					
DIRECT COSTS	\$1,703,551	\$1,737,585	\$109,515	\$1,847,100	6.30%
ALLOCATED COSTS	8,128,424	9,248,489	20,267	9,268,756	0.22%
TOTAL OPERATING	9,831,975	10,986,074	129,782	11,115,856	1.18%
CAPITAL	275,361	179,667	23,133	202,800	12.88%
DEBT SERVICE	6,881,126	6,778,001	11,778	6,789,779	0.17%
TOTAL ANNUAL APPROPRIATION	\$16,988,462	\$17,943,742	\$164,693	\$18,108,435	0.92%

BOARD OF COMMISSIONERS

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

SUBMITTED:


 William Schaffner, CFO

December 16, 2015

**NORTH JERSEY DISTRICT WATER SUPPLY COMMISSION
 WANAQUE SOUTH PROJECT
 ANNUAL BUDGET**

	APPROPRIATIONS CATEGORY	2014 APPROPRIATION	2015 APPROPRIATION	INCREASE (DECREASE)	2016 APPROPRIATION	%
	DIRECT EXPENSES					
	COMMON FACILITIES					
	INSURANCE	\$240,000	\$255,000	(\$25,000)	230,000.00	-9.80%
	LEGAL FEES	37,500	36,600	(16,600)	20,000.00	-45.36%
	AUDIT FEES	24,000	23,000	(1,000)	22,000.00	-4.35%
	REAL ESTATE TAX	0	12,000	350	12,350.00	2.92%
	USGS	86,000	80,000	(2,000)	78,000.00	-2.50%
	ENGINEERING/CONSULTING	0	0	0	0.00	N/A
	PURCHASES	0	0	0	0.00	N/A
	TRUSTEE FEES	38,000	38,000	6,000	44,000.00	15.79%
	OTHER	9,000	5,000	(3,000)	2,000.00	-60.00%
1	SUB TOTAL	\$434,500	\$449,600	(\$41,250)	408,350.00	-9.17%
	WANAQUE SOUTH PUMP STATION					
	UTILITIES	\$1,000,000	\$959,000	\$41,000	1,000,000.00	4.28%
	REAL ESTATE TAX	30,801	34,360	1,640	36,000.00	4.77%
	ENGINEERING/CONSULTING	37,500	37,500	(25,000)	12,500.00	-66.67%
	REPAIRS/MAINTENANCE					
	BUILDING	37,500	20,000	(17,500)	2,500.00	-87.50%
	EQUIPMENT	37,500	100,000	(37,500)	62,500.00	-37.50%
	OTHER	500	500	(500)	0.00	-100.00%
	CHEMICALS	0	0	0	0.00	N/A
	PURCHASES	0	0	0	0.00	N/A
	OTHER	0	11,500	(1,500)	10,000.00	-13.04%
2	SUB TOTAL	\$1,143,801	\$1,162,860	(\$39,360)	\$1,123,500	-3.38%

**NORTH JERSEY DISTRICT WATER SUPPLY COMMISSION
 WANAQUE SOUTH PROJECT
 ANNUAL BUDGET**

APPROPRIATIONS CATEGORY	2014 APPROPRIATION	2015 APPROPRIATION	INCREASE (DECREASE)	2016 APPROPRIATION	%
DIRECT EXPENSES					
RAMAPO PUMP STATION					
UTILITIES	\$25,000	\$25,250	\$129,750	\$155,000	513.86%
REAL ESTATE TAX	20,500	21,000	750	21,750	3.57%
ENGINEERING/CONSULTING	15,000	15,000	(10,000)	5,000	-66.67%
REPAIRS/MAINTENANCE					
BUILDING	20,000	20,000	0	20,000	N/A
EQUIPMENT	12,000	12,000	63,000	75,000	525.00%
OTHER	500	0	0	0	N/A
CHEMICALS	0	0	0	0	N/A
PURCHASES	2,500	2,500	0	2,500	N/A
OTHER	0	0	4,000	4,000	N/A
SUB TOTAL	\$95,500	\$95,750	\$187,500	\$283,250	195.82%
MONKSVILLE					
UTILITIES	\$4,500	\$4,875	(\$375)	\$4,500	-7.69%
REAL ESTATE TAX	8,750	9,500	500	10,000	5.26%
ENGINEERING/CONSULTING	12,500	11,000	0	11,000	N/A
REPAIRS/MAINTENANCE					
BUILDING	2,500	2,500	(500)	2,000	-20.00%
EQUIPMENT	1,000	1,000	500	1,500	50.00%
OTHER	500	500	(500)	0	-100.00%
PURCHASES	0	0	3,000	3,000	N/A
OTHER	0	0	0	0	N/A
SUB TOTAL	\$29,750	\$29,375	\$2,625	\$32,000	8.94%
TOTAL DIRECT EXPENSES	\$1,703,551	\$1,737,585	\$109,515	\$1,847,100	6.30%

**NORTH JERSEY DISTRICT WATER SUPPLY COMMISSION
 WANAQUE SOUTH PROJECT
 ANNUAL BUDGET**

	APPROPRIATIONS CATEGORY	2014 APPROPRIATION	2015 APPROPRIATION	INCREASE (DECREASE)	2016 APPROPRIATION	%
6	ALLOCATED NORTH OPERATING COSTS	\$7,852,272	\$8,943,550	\$20,873	\$8,964,424	0.23%
7	USE FEE	276,152	304,939	(606)	304,332	-0.20%
	TOTAL OPERATING COSTS	9,831,975	10,986,074	129,782	11,115,856	1.18%
9	CAPITAL ITEMS FROM PAGE 6	275,361	179,667	23,133	202,800	12.88%
10	DEBT SERVICE	6,881,126	6,778,001	11,778	6,789,779	0.17%
11	TOTAL APPROPRIATIONS	\$16,988,462	\$17,943,742	\$164,693	\$18,108,435	0.92%
	REVENUES					
12	BUDGET ASSESSMENTS	\$15,913,130	\$15,913,130	\$439,123	\$16,352,253	2.76%
13	ANTICIPATED INCOME	65,000	70,000	1,314,700	1,384,700	1878.14%
14	SURPLUS / (DEFICIT)	1,010,332	1,960,612	(1,589,130)	371,482	-81.05%
15	TOTAL REVENUES	\$16,988,462	\$17,943,742	\$164,693	\$18,108,435	0.92%
	COST PER M.G. (Net)	\$1,103.74	\$1,103.74	\$0.00	\$1,103.74	

**NORTH JERSEY DISTRICT WATER SUPPLY COMMISSION
 WANAQUE SOUTH PROJECT
 ALLOCATION OF WANAQUE NORTH COSTS**

	2014 ASSESSMENT	2015 ASSESSMENT	2016 ASSESSMENT	INCREASE (DECREASE)
TOTAL WANAQUE NORTH BUDGET	\$36,805,465	\$38,600,630	\$38,302,723	(\$297,907)
LESS: DEBT SERVICE	4,595,733	4,289,056	4,293,616	4,560
UTILITIES	2,555,750	2,607,000	2,930,000	323,000
PLANT OPERATIONS BUDGET	9,051,812	9,403,073	9,510,111	107,038
CAPITAL BUDGET	1,001,639	2,478,007	2,209,839	(268,168)
OTHER NON ALLOCABLE	459,035	488,000	516,457	28,457
ALLOCABLE EXPENSES	\$19,141,496	\$19,335,494	\$18,842,700	(\$492,794)
ALLOCATED EXPENSES @ 25.26%	\$4,370,004	\$4,884,146	\$4,759,666	(\$124,480)
PLANT OPERATIONS & UTILITIES @ 33.8%	\$3,482,269	\$4,059,405	\$4,204,758	\$145,353
TOTAL ALLOCATED COST	\$7,852,272	\$8,943,550	\$8,964,424	\$20,873
CARRY TO PAGE 4 ITEM 6				

**NORTH JERSEY DISTRICT WATER SUPPLY COMMISSION
CAPITAL BUDGET
2016**

Description	North Share	South Share	United Water Share	Total Cost
1 Computer Upgrades				
2 Lab Equipment Upgrade	\$79,440	\$40,560	\$0	\$120,000
3 Fleet / Mobile Equipment Replacement	\$66,200	\$33,800	\$0	\$100,000
4 Building Improvements / Renovations	\$119,160	\$60,840	\$0	\$180,000
Upgrades to Original Plant Infrastructure	\$132,400	\$67,600	\$0	\$200,000
5 Plant Facilities & Equipment	\$132,400	\$67,600	\$0	\$200,000
	\$0	\$0	\$0	\$0
6 Dams and Other Structures	\$0	\$0	\$0	\$0
7 Capital Improvement Fund	1,812,639	\$0	\$0	1,812,639
TOTAL CAPITAL BUDGET	\$2,209,839	\$202,800	\$0	\$2,412,639
CARRY TO PAGE 4 LINE 13				

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

%	MUNICIPALITY	2014 ASSESSMENT	2015 ASSESSMENT	INCREASE (DECREASE)	2016 ASSESSMENT
27.91%	NEWARK	\$4,564,445	\$4,564,445	\$0	\$4,564,445
25.87%	BAYONNE	\$4,230,076	\$4,230,076	\$0	\$4,230,076
23.40%	WAYNE	\$3,625,775	\$3,625,775	\$201,438	\$3,827,213
4.24%	KEARNY	\$692,930	\$692,930	\$0	\$692,930
7.39%	NUTLEY	\$1,208,591	\$1,208,591	\$0	\$1,208,591
8.23%	BLOOMFIELD	\$1,107,877	\$1,107,877	\$237,685	\$1,345,562
2.96%	CEDAR GROVE	\$483,436	\$483,436	\$0	\$483,436
100.00%	TOTAL ASSESSMENT	\$15,913,130	\$15,913,130	\$439,123	\$16,352,253

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

%	MUNICIPALITY	JAN 15 25%	APL 1ST 25%	JUL 1ST 25%	OCT. 1ST 25%	2016 TOTAL
27.91%	NEWARK	\$1,141,111.25	\$1,141,111.25	\$1,141,111.25	\$1,141,111.25	\$4,564,445.00
25.87%	BAYONNE	\$1,057,519.00	1,057,519.00	1,057,519.00	1,057,519.00	\$4,230,076.00
23.40%	WAYNE	\$956,803.25	956,803.25	956,803.25	956,803.25	\$3,827,213.00
4.24%	KEARNY	\$173,232.50	173,232.50	173,232.50	173,232.50	\$692,930.00
7.39%	NUTLEY	\$302,147.75	302,147.75	302,147.75	302,147.75	\$1,208,591.00
8.23%	BLOOMFIELD	\$336,390.50	336,390.50	336,390.50	336,390.50	\$1,345,562.00
2.96%	CEDAR GROVE	\$120,859.00	120,859.00	120,859.00	120,859.00	\$483,436.00
100.00%	TOTAL INSTALLMENTS	\$4,088,063.25	\$4,088,063.25	\$4,088,063.25	\$4,088,063.25	\$16,352,253.00