



***WANAQUE NORTH
2013 BUDGET***

December 19, 2012

North Jersey District Water Supply Commission Wanaque North Project 2013 Budget Highlights

- The North Jersey District Water Supply Commission is pleased to present the proposed 2013 Budget appropriation of \$37.2M. This represents a decrease of 2.8% (\$1,072K) from the 2012 Budget.
- The Commission has prepared the 2013 Budget with careful consideration to the current economic challenges that our participating municipalities continue to face. All department expenditures have been systematically reviewed in an effort to either hold or reduce expenses.
- As reflected on page 2, total departmental appropriations for 2013 are \$12.6M. Reductions in Salaries & Wages (\$837K) as well as Contractual Services (\$614K) represent the largest factors in a year over year decrease of 10.9%.
- The slight increase (\$93K) in non-departmental expenses, as reflected on page 3, is primarily driven by anticipated increases in general insurance cost.
- The Commission believes that the 2013 spending plan is sufficient to meet all operating, capital and debt service obligations. The funding for the appropriations has been estimated and reflected on page 4 of the Budget. It is anticipated that the total assessment along with the application of miscellaneous items of revenue will be sufficient to fund the 2013 spending plan.
- As presented, the budgeted cost per million gallons for the North Project municipalities will be \$746.13, compared to the 2012 Budget of \$758.38. This is a \$12.25 savings per MG for the City of Newark, Passaic Valley Water Commission (representing Paterson, Passaic and Clifton), Kearny, Montclair, Bloomfield and Glen Ridge.
- 2013 capital expenditures have increased \$385K as the Commission completes development of its five year capital plan, and begins various upgrades/improvements to its plant and facilities.

**NORTH JERSEY DISTRICT WATER SUPPLY COMMISSION
 WANAQUE NORTH PROJECT
 2013 BUDGET OVERVIEW**

	2011 APPROPRIATION	2012 APPROPRIATION	Increase (Decrease)	2013 APPROPRIATION	% vs 2012
SOURCE OF REVENUE					
MUNICIPAL ASSESSMENT	\$ 26,020,096	\$ 26,020,096	\$ (420,211)	\$ 25,599,885	-1.6%
SURPLUS APPLIED OR (ANTICIPATED)	838,749	-	-	-	-
INCOME AND OTHER TRANSFERS	12,715,541	12,226,538	(652,195)	11,574,343	-5.3%
TOTAL REVENUES	\$ 39,574,386	\$ 38,246,633	\$ (1,072,406)	\$ 37,174,228	-2.8%
APPROPRIATIONS					
OPERATING	\$ 34,123,424	\$ 32,785,799	\$ (1,452,225)	\$ 31,333,574	-4.4%
CAPITAL	1,151,558	1,162,303	384,737	1,547,040	33.1%
DEBT SERVICE	4,299,404	4,298,531	(4,915)	4,293,614	-0.1%
TOTAL ANNUAL APPROPRIATIONS	\$ 39,574,386	\$ 38,246,633	\$ (1,072,403)	\$37,174,228	-2.8%

BOARD OF COMMISSIONERS:

Charles P. Shotmeyer, Chairman
 Carmen A. Orechio, Vice Chairman
 Alan S. Ashkinaze
 Jerome P. Amedeo
 Donald C. Kuser

SUBMITTED:



 Danielle Holobinko, CFO

December 19, 2012

**NORTH JERSEY DISTRICT WATER SUPPLY COMMISSION
 WANAQUE NORTH PROJECT
 2013 BUDGET SUMMARY REPORT**

APPROPRIATION SUMMARY		2011 APPROPRIATION	2012 APPROPRIATION	Increase (Decrease)	2013 APPROPRIATION	% vs 2012
	APPROPRIATIONS					
	Regular	\$ 11,881,898	\$ 9,827,750	\$ (758,132)	\$ 9,069,618	-7.7%
	Over Time	205,302	205,250	(79,368)	125,882	-38.7%
1	Total Salaries & Wages	\$ 12,087,200	\$ 10,033,000	\$ (837,500)	\$ 9,195,500	-8.3%
2	Materials & Supplies	355,500	329,625	(16,025)	313,600	-4.9%
3	Services Contractual	2,708,200	2,494,200	(613,700)	1,880,500	-24.6%
4	Repairs & Maintenance	849,850	1,031,650	(39,150)	992,500	-3.8%
5	Purchases of Equipment	317,075	168,675	(4,175)	164,500	-2.5%
6	Miscellaneous	117,350	131,650	(35,150)	96,500	-26.7%
	TOTAL DEPARTMENTAL EXPENSES	\$ 16,435,175	\$ 14,188,800	\$ (1,545,700)	\$ 12,643,100	-10.9%

**NORTH JERSEY DISTRICT WATER SUPPLY COMMISSION
 WANAQUE NORTH PROJECT
 2013 BUDGET SUMMARY REPORT**

APPROPRIATION SUMMARY	2011 APPROPRIATION	2012 APPROPRIATION	Increase (Decrease)	2013 APPROPRIATION	% vs 2012
Statutory Expenditures					
Real Estate Taxes	\$ 3,160,900	\$ 3,200,000	\$ 128,000	\$ 3,328,000	4.0%
Pension	920,000	1,275,000	(25,000)	1,250,000	-2.0%
Payroll Taxes	900,000	805,500	(129,700)	675,800	-16.1%
7 Total Statutory Expenditures	\$ 4,980,900	\$ 5,280,500	\$ (26,700)	\$ 5,253,800	-0.5%
Insurance					
Health Benefits	\$ 5,173,900	\$ 5,557,500	\$ (450)	\$ 5,557,050	0.0%
Health Benefits - Employee Contribution	-	(400,000)	40,000	(360,000)	-10.0%
Workers Compensation	545,000	585,000	(61,500)	523,500	-10.5%
General Insurance	1,615,500	1,615,500	330,300	1,945,800	20.4%
8 Total Insurances	\$ 7,334,400	\$ 7,358,000	\$ 308,350	\$ 7,666,350	4.2%
Utilities					
Electric Power	\$ 2,556,400	\$ 2,700,000	\$ (230,676)	\$ 2,469,324	-8.5%
Telephone	263,650	291,500	(28,500)	263,000	-9.8%
Other	51,500	65,000	(23,000)	42,000	-35.4%
9 Total Utilities	\$ 2,871,550	\$ 3,056,500	\$ (282,176)	\$ 2,774,324	-9.2%
10 Total Chemicals	\$ 2,351,000	\$ 2,694,000	\$ 135,000	\$ 2,829,000	5.0%
Fuel					
Gasoline	\$ 120,250	\$ 160,000	\$ (13,000)	\$ 147,000	-8.1%
Heating Oil	30,150	48,000	(28,000)	20,000	-58.3%
11 Total Fuels	\$ 150,400	\$ 208,000	\$ (41,000)	\$ 167,000	-19.7%
TOTAL NON DEPARTMENTAL	17,688,250	18,597,000	93,474	18,690,474	0.5%
Departmental Expense brought forward	16,435,175	14,188,800	(1,545,700)	12,643,100	-10.9%
TOTAL OPERATING APPROPRIATIONS	\$ 34,123,425	\$ 32,785,800	\$ (1,452,226)	\$ 31,333,574	-4.4%

**NORTH JERSEY DISTRICT WATER SUPPLY COMMISSION
 WANAQUE NORTH PROJECT
 2013 BUDGET SUMMARY REPORT**

APPROPRIATION SUMMARY	2011 APPROPRIATION	2012 APPROPRIATION	Increase (Decrease)	2013 APPROPRIATION	% vs 2012
TOTAL OPERATING APPROPRIATIONS	\$ 34,123,425	\$ 32,785,800	\$ (1,452,226)	\$ 31,333,574	-4.43%
12 TOTAL DEBT SERVICE	4,299,404	4,298,531	(4,916)	4,293,614	-0.1%
13 Capital Items	1,151,558	1,162,303	384,737	1,547,040	33.1%
TOTAL APPROPRIATIONS	\$ 39,574,385	\$ 38,246,633	\$ (1,072,405)	\$ 37,174,228	-2.80%
REVENUES					
1 MUNICIPAL ASSESSMENT	\$ 26,020,096	\$ 26,020,096	\$ (420,211)	\$ 25,599,885	-1.6%
2 SURPLUS APPLIED OR (ANTICIPATED)	838,749	-	-	-	-
TOTAL ASSESSMENT	\$ 26,858,845	\$ 26,020,096	\$ (420,211)	\$ 25,599,885	-1.6%
3 WANAQUE SOUTH PARTICIPATION	8,603,197	8,195,588	(348,083)	7,847,505	-4.2%
4 UNITED WATER NJ PARTICIPATION	3,316,754	3,211,477	(314,527)	2,896,950	-9.8%
5 ANTICIPATED INCOME / TRANSFERS	795,590	819,473	10,415	829,888	1.3%
TOTAL REVENUES	\$ 39,574,385	\$ 38,246,633	\$ (1,072,406)	\$ 37,174,228	-2.8%
Municipal Cost per Million Gallons	\$ 758.38	\$ 758.38	\$ (12.25)	\$ 746.13	-1.6%

NORTH JERSEY DISTRICT WATER SUPPLY COMMISSION 2013 CAPITAL BUDGET

	Description	North Share	South Share	United Water Share	Total Cost
13-01	Roofing repairs - Central receiving, Highlift, RTF	\$ 140,000	\$ 60,000	\$ -	\$ 200,000
13-02	Roof Replacement Lower Gate House	70,000	30,000		100,000
13-03	Roof Replacement Old Treatment Plant	70,000	30,000		100,000
13-04	New security gates for Orechio entrance	38,585	11,415		50,000
13-05	Central Receiving Expansion/Modification	267,780	79,220		347,000
1	Building Improvements / Renovations	\$ 586,365	\$ 210,635	\$ -	\$ 797,000
13-06	Commission dam instrumentation/weirs upgrade	\$ 65,595	\$ 19,406	\$ -	\$ 85,000
13-07	Upper Gate House Improvements	57,878	17,123		75,000
13-08	Environmental Health Study - Lagoon	105,000	45,000		150,000
13-09	Finished Water Aqueduct Engineering Study	250,000			250,000
13-10	Lower Gate House Improvements	77,170	22,830		100,000
13-11	Aqueduct Sensors/Cameras	52,655	22,122	22,122	96,900
13-12	2011 bridge inspection recommendations	46,189	19,406	19,406	85,000
13-13	Post Brook dam rehabilitation	77,170	22,830		100,000
13-14	Aqueducts - Guardian Blue early warning system	19,019	7,991	7,991	35,000
13-15	Surge Tank Repainting	35,000	15,000		50,000
2	Dams and Other Structures	\$ 785,675	\$ 191,706	\$ 49,518	\$ 1,026,900
13-16	Residuals Facility - Removal of media	175,000	75,000		250,000
3	Miscellaneous Items	\$ 175,000	\$ 75,000	\$ -	\$ 250,000
	TOTAL CAPITAL BUDGET	\$ 1,547,040	\$ 477,341	\$ 49,518	\$ 2,073,900
	CARRY TO PAGE 4 LINE 13				

**NORTH JERSEY DISTRICT WATER SUPPLY COMMISSION
 WANAQUE NORTH PROJECT
 MUNICIPAL ASSESSMENTS
 2013 BUDGET**

%	MUNICIPALITY	2011 ASSESSMENT	2012 ASSESSMENT	INCREASE (DECREASE)	2013 ASSESSMENT
40.50%	NEWARK	\$ 10,538,139	\$ 10,538,139	\$ (170,185)	\$ 10,367,953
20.00%	<i>PATERSON</i>	5,204,019	5,204,019	(84,042)	5,119,977
11.00%	<i>PASSAIC</i>	2,862,211	2,862,211	(46,223)	2,815,987
6.75%	<i>CLIFTON</i>	1,756,356	1,756,356	(28,364)	1,727,992
37.75%	PASSAIC VALLEY WATER COMM.	9,822,586	9,822,586	(158,630)	9,663,957
12.00%	KEARNY	3,122,412	3,122,412	(50,425)	3,071,986
5.00%	MONTCLAIR	1,301,005	1,301,005	(21,011)	1,279,994
4.00%	BLOOMFIELD	1,040,804	1,040,804	(16,808)	1,023,995
0.75%	GLEN RIDGE	195,151	195,151	(3,152)	191,999
100.00%	TOTAL ASSESMENT	\$ 26,020,096	\$ 26,020,096	\$ (420,211)	\$ 25,599,885

**NORTH JERSEY DISTRICT WATER SUPPLY COMMISSION
 WANAQUE NORTH PROJECT
 QUARTERLY MUNICIPAL ASSESSMENTS
 2013 BUDGET**

%	MUNICIPALITY	JAN 15 25%	APR 1ST 25%	JUL 1ST 25%	OCT 1ST 25%	TOTAL
40.50%	NEWARK	\$ 2,591,988	\$ 2,591,988	\$ 2,591,988	\$ 2,591,988	\$ 10,367,953
20.00%	<i>PATERSON</i>	\$ 1,279,994	\$ 1,279,994	\$ 1,279,994	\$ 1,279,994	\$ 5,119,977
11.00%	<i>PASSAIC</i>	\$ 703,997	\$ 703,997	\$ 703,997	\$ 703,997	\$ 2,815,987
6.75%	<i>CLIFTON</i>	\$ 431,998	\$ 431,998	\$ 431,998	\$ 431,998	\$ 1,727,992
37.75%	PASSAIC VALLEY WATER	\$ 2,415,989	\$ 2,415,989	\$ 2,415,989	\$ 2,415,989	\$ 9,663,957
12.00%	KEARNY	\$ 767,997	\$ 767,997	\$ 767,997	\$ 767,997	\$ 3,071,986
5.00%	MONTCLAIR	\$ 319,999	\$ 319,999	\$ 319,999	\$ 319,999	\$ 1,279,994
4.00%	BLOOMFIELD	\$ 255,999	\$ 255,999	\$ 255,999	\$ 255,999	\$ 1,023,995
0.75%	GLEN RIDGE	\$ 48,000	\$ 48,000	\$ 48,000	\$ 48,000	\$ 191,999
100.00%	TOTAL INSTALLMENTS	\$ 6,399,971	\$ 6,399,971	\$ 6,399,971	\$ 6,399,971	\$ 25,599,885