



**WANAQUE SOUTH
2013 BUDGET**

December 19, 2012

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

- The North Jersey District Water Supply Commission is pleased to present the proposed 2013 Budget appropriation of \$16.9M. This represents a decrease of 3.5% (\$620K) 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 3, total direct expenses for 2013 are \$1.1M. This represents a reduction of \$315K primarily driven by the Commission's budget projections for pumping operations at the Wanaque South Pump Station.
- Allocated costs, as detailed on page 5, have also been reduced \$348K (4.2%).
- 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 South Project municipalities will be \$1,104.54, compared to the 2012 Budget of \$1,113.21. This is a \$8.67 savings per MG for the City of Newark, Bayonne, Wayne, Kearny, Nutley, Bloomfield and Cedar Grove.
- 2013 capital expenditures have increased \$40K as the Commission completes development of its five year capital plan, and begins various upgrades/improvements to its plant and facilities.

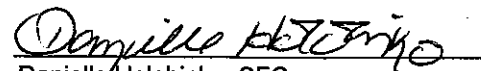
**NORTH JERSEY DISTRICT WATER SUPPLY COMMISSION
 WANAQUE SOUTH PROJECT
 2013 BUDGET OVERVIEW**

	2011 APPROPRIATION	2012 APPROPRIATION	INCREASE (DECREASE)	2013 APPROPRIATION	% vs 2012
SOURCE OF REVENUE					
MUNICIPAL ASSESSMENT	\$ 16,049,690	\$ 16,049,690	\$ (124,930)	\$ 15,924,760	-0.8%
SURPLUS APPLIED OR (ANTICIPATED)	-	1,209,062	(267,792)	941,270	-22.1%
INCOME AND OTHER TRANSFERS	1,405,457	290,000	(227,000)	63,000	-78.3%
TOTAL REVENUES	\$ 17,455,147	\$ 17,548,753	\$ (619,722)	\$ 16,929,030	-3.5%
APPROPRIATIONS					
DIRECT COSTS	\$ 1,620,350	\$ 1,420,283	\$ (315,417)	\$ 1,104,866	-22.2%
ALLOCATED NORTH COSTS	8,880,992	8,472,834	(348,630)	8,124,203	-4.1%
TOTAL OPERATING	\$ 10,501,342	\$ 9,893,117	\$ (664,047)	\$ 9,229,069	-6.7%
CAPITAL	469,905	437,697	39,644	477,341	9.1%
DEBT SERVICE	7,198,532	7,217,939	4,680	7,222,619	0.1%
TOTAL ANNUAL APPROPRIATION	\$ 18,169,778	\$ 17,548,753	\$ (619,723)	\$ 16,929,030	-3.5%

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 SOUTH PROJECT
 2013 BUDGET SUMMARY REPORT**

	APPROPRIATIONS CATEGORY	2011 APPROPRIATION	2012 APPROPRIATION	INCREASE (DECREASE)	2013 APPROPRIATION	% vs 2012
	DIRECT EXPENSES					
	COMMON FACILITIES					
	INSURANCE	\$ 160,000	\$ 160,000	\$ -	\$ 160,000	N/A
	LEGAL FEES	150,000	50,000	(20,000)	30,000	-40.0%
	AUDIT FEES	32,750	29,500	(1,000)	28,500	-3.4%
	USGS	83,500	85,000	-	85,000	N/A
	ENGINEERING/CONSULTING	40,000	-	-	-	N/A
	PURCHASES	-	-	-	-	N/A
	TRUSTEE FEES	52,500	63,000	-	63,000	N/A
	OTHER	1,500	500	(500)	-	-100.0%
1	SUB TOTAL	\$ 520,250	\$ 388,000	\$ (21,500)	\$ 366,500	-5.5%
	WANAQUE SOUTH PUMP STATION					
	UTILITIES	\$ 850,000	\$ 800,000	\$ (310,000)	\$ 490,000	-38.8%
	REAL ESTATE TAX	27,000	30,258	(142)	30,116	-0.5%
	ENGINEERING/CONSULTING	12,500	12,500	-	12,500	N/A
	REPAIRS/MAINTENANCE					
	BUILDING	37,500	37,500	(15,000)	22,500	-40.0%
	EQUIPMENT	37,500	37,500	-	37,500	N/A
	OTHER	500	500	(500)	-	-100.0%
	CHEMICALS	-	-	-	-	N/A
	PURCHASES	500	500	(500)	-	-100.0%
	OTHER	-	-	-	-	N/A
2	SUB TOTAL	\$ 965,500	\$ 918,758	\$ (326,142)	\$ 592,616	-35.5%

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

APPROPRIATIONS CATEGORY	2011 APPROPRIATION	2012 APPROPRIATION	INCREASE (DECREASE)	2013 APPROPRIATION	% vs 2012
DIRECT EXPENSES					
RAMAPO PUMP STATION					
UTILITIES	\$ 50,000	\$ 25,000	\$ 31,500	\$ 56,500	126.0%
REAL ESTATE TAX	18,000	19,000	1,000	20,000	5.3%
ENGINEERING/CONSULTING	7,500	7,500	-	7,500	N/A
REPAIRS/MAINTENANCE					
BUILDING	5,000	5,000	-	5,000	N/A
EQUIPMENT	12,000	12,000	-	12,000	N/A
OTHER	100	25	(25)	-	-100.0%
CHEMICALS	-	-	-	-	N/A
PURCHASES	2,500	2,500	-	2,500	N/A
OTHER	-	-	-	-	N/A
SUB TOTAL	\$ 95,100	\$ 71,025	\$ 32,475	\$ 103,500	45.7%
MONKSVILLE					
UTILITIES	\$ 5,500	\$ 5,500	\$ (1,000)	\$ 4,500	-18.2%
REAL ESTATE TAX	3,000	7,000	1,000	8,000	14.3%
ENGINEERING/CONSULTING	22,500	22,500	2,500	25,000	11.1%
REPAIRS/MAINTENANCE					
BUILDING	5,000	5,000	(2,500)	2,500	#REF!
EQUIPMENT	1,000	1,000	-	1,000	N/A
OTHER	-	1,250	-	1,250	N/A
PURCHASES	2,500	250	(250)	-	-100.0%
OTHER	-	-	-	-	N/A
SUB TOTAL	\$ 39,500	\$ 42,500	\$ (250)	\$ 42,250	-0.6%
TOTAL DIRECT EXPENSES	\$ 1,620,350	\$ 1,420,283	\$ (315,417)	\$ 1,104,866	-22.2%

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

	APPROPRIATIONS CATEGORY	2011 APPROPRIATION	2012 APPROPRIATION	INCREASE (DECREASE)	2013 APPROPRIATION	% vs 2012
6	ALLOCATED NORTH OPERATING COSTS	\$ 8,603,197	\$ 8,195,587	\$ (348,083)	\$ 7,847,504	-4.2%
7	USE FEE	277,795	277,247	(548)	276,699	-0.2%
	TOTAL OPERATING COSTS	\$ 10,501,342	\$ 9,893,117	\$ (664,049)	\$ 9,229,069	-6.7%
8	CAPITAL ITEMS FROM PAGE 6	469,905	437,697	39,644	477,341	9.1%
9	DEBT SERVICE	7,198,532	7,217,939	4,680	7,222,619	0.1%
	TOTAL APPROPRIATIONS	\$ 18,169,779	\$ 17,548,753	\$ (619,724)	\$ 16,929,030	-3.5%
	REVENUES					
10	MUNICIPAL ASSESSMENT	\$ 16,049,690	\$ 16,049,690	\$ (124,930)	\$ 15,924,760	-0.8%
11	SURPLUS APPLIED OR (ANTICIPATED)	1,405,457	1,209,062	(267,792)	941,270	-22.1%
	TOTAL ASSESSMENT	17,455,147	17,258,752	(392,722)	16,866,030	-2.3%
12	ANTICIPATED INCOME	714,633	290,000	(227,000)	63,000	-78.3%
	TOTAL REVENUES	\$ 18,169,779	\$ 17,548,753	\$ (619,722)	\$ 16,929,030	-3.5%
	Municipal Cost per Million Gallons	\$ 1,113.21	\$ 1,113.21	\$ (8.67)	\$ 1,104.54	-0.8%

**NORTH JERSEY DISTRICT WATER SUPPLY COMMISSION
 WANAQUE SOUTH PROJECT
 ALLOCATION OF WANAQUE NORTH COSTS
 2013 BUDGET**

	2011 APPROPRIATIONS	2012 APPROPRIATIONS	INCREASE (DECREASE)	2013 APPROPRIATIONS
TOTAL WANAQUE NORTH BUDGET	\$ 39,574,385	\$ 38,246,633	\$ (1,072,404)	\$ 37,174,228
LESS: DEBT SERVICE	4,299,404	4,298,531	(4,916)	4,293,614
UTILITIES	2,556,400	3,056,500	(282,176)	2,774,324
PLANT OPERATIONS BUDGET	8,779,990	8,340,489	51,497	8,391,986
CAPITAL BUDGET	1,151,558	1,162,303	384,737	1,547,040
OTHER NON ALLOCABLE	-	466,820	-	466,820
ALLOCABLE EXPENSES	\$ 22,787,034	\$ 20,921,991	\$ (1,221,546)	\$ 19,700,444.00
ALLOCATED EXPENSES @ 22.83%	\$ 5,202,280	\$ 4,776,490	\$ (278,879)	\$ 4,497,611
PLANT OPERATIONS & UTILITIES @ 30%	3,400,917	3,419,097	(69,204)	3,349,893
TOTAL ALLOCATED COST	\$ 8,603,197	\$ 8,195,587	\$ (348,082)	\$ 7,847,504
CARRY TO PAGE 4 LINE 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 / Rennovations	\$ 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 8					

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

%	MUNICIPALITY	2011 ASSESSMENT	2012 ASSESSMENT	INCREASE (DECREASE)	TOTAL 2013 ASSESSMENT
28.68%	NEWARK	\$ 4,603,620	\$ 4,603,620	\$ (35,834)	\$ 4,567,786
26.58%	BAYONNE	4,266,373	4,266,373	(33,209)	4,233,164
22.78%	WAYNE	3,656,891	3,656,891	(28,465)	3,628,426
4.35%	KEARNY	698,873	698,873	(5,440)	693,433
7.59%	NUTLEY	1,218,964	1,218,964	(9,489)	1,209,475
6.96%	BLOOMFIELD	1,117,383	1,117,383	(8,697)	1,108,686
3.04%	CEDAR GROVE	487,586	487,586	(3,796)	483,790
100.00%	TOTAL ASSESSMENT	\$ 16,049,690	\$ 16,049,690	\$ (124,930)	\$ 15,924,760

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

%	MUNICIPALITY	JAN 15 25%	APR 1ST 25%	JUL 1ST 25%	OCT 1ST 25%	2013 TOTAL
28.68%	NEWARK	\$ 1,141,947	\$ 1,141,947	\$ 1,141,947	\$ 1,141,947	\$ 4,567,786
26.58%	BAYONNE	\$ 1,058,291	\$ 1,058,291	\$ 1,058,291	\$ 1,058,291	\$ 4,233,164
22.79%	WAYNE	\$ 907,107	\$ 907,107	\$ 907,107	\$ 907,107	\$ 3,628,426
4.35%	KEARNY	\$ 173,358	\$ 173,358	\$ 173,358	\$ 173,358	\$ 693,433
7.60%	NUTLEY	\$ 302,369	\$ 302,369	\$ 302,369	\$ 302,369	\$ 1,209,475
6.96%	BLOOMFIELD	\$ 277,172	\$ 277,172	\$ 277,172	\$ 277,172	\$ 1,108,686
3.04%	CEDAR GROVE	\$ 120,948	\$ 120,948	\$ 120,948	\$ 120,948	\$ 483,790
100.00%	TOTAL INSTALLMENTS	\$ 3,981,190	\$ 3,981,190	\$ 3,981,190	\$ 3,981,190	\$ 15,924,760