

2014

Passaic Valley Water Commission

# Authority Budget

Department Of



Community  
**Affairs**

Division of Local Government Services

2014

**Passaic Valley Water Commission**

(Name)

**AUTHORITY BUDGET**

FISCAL YEAR: FROM January 1, 2014 TO December 31, 2014

*For Division Use Only*

**CERTIFICATION OF APPROVED BUDGET**

*It is hereby certified that the approved Budget made a part hereof complies with the requirements of law and the rules and regulations of the Local Finance Board, and approval is given pursuant to N.J.S. 40A:5A-11.*

*State of New Jersey  
Department of Community Affairs  
Director of the Division of Local Government Services*

By: \_\_\_\_\_ Date: \_\_\_\_\_

**CERTIFICATION OF ADOPTED BUDGET**

*It is hereby certified that the adopted Budget made a part hereof has been compared with the approved Budget previously certified by the Division, and any amendments made thereto. This adopted Budget is certified with respect to such amendments and comparisons only.*

*State of New Jersey  
Department of Community Affairs  
Director of the Division of Local Government Services*

By: \_\_\_\_\_ Date: \_\_\_\_\_

# 2014 PREPARER'S CERTIFICATION

**Passaic Valley Water Commission**

(Name)

## AUTHORITY BUDGET

FISCAL YEAR: FROM January 1, 2014 TO December 31, 2014

It is hereby certified that the Authority Budget, including both the Annual Budget and the Capital Budget/Program annexed hereto, represents the members of the governing body's resolve with respect to statute in that; all estimates of revenue are reasonable, accurate and correctly stated, all items of appropriation are properly set forth and in itemization, form and content, the budget will permit the exercise of the comptroller function within the Authority.

It is further certified that all proposed budgeted amounts and totals are correct. Also, I hereby provide reasonable assurance that all assertions contained herein are accurate and all Supplemental Schedules required are completed and attached.

  
\_\_\_\_\_  
(Preparer's signature)

**Yitzchak Weiss**

(Print Name)

**CFO**

(Title)

**1525 Main Ave.**

(Address)

**Clifton, NJ 07055**

(City, State, Zip Code)

**(973) 340-4328/ / (973) 340-4328**

(Phone number) (ext) (Fax number)

**yweiss@pvwc.com**

(Email Address)

# 2014 APPROVAL CERTIFICATION

## Passaic Valley Water Commission

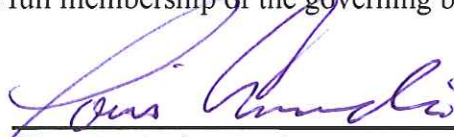
(Name)

### AUTHORITY BUDGET

FISCAL YEAR: FROM January 1, 2014 TO December 31, 2014

It is hereby certified that the Authority Budget, including Supplemental Schedules appended hereto, are a true copy of the Annual Budget and Capital Budget/Program approved by resolution by the governing body of the Passaic Valley Water Commission, at an open public meeting held pursuant to N.J.A.C. 5:31-2.3, on the 13<sup>th</sup> day of November, 2013.

It is further certified that the recorded vote appearing in the resolution represents a not less than a majority of the full membership of the governing body thereof.



(Secretary's signature)

Louis Amodio

(Print Name)

Administrative Secretary

(Title)

1525 Main Avenue

(Address)

Clifton, New Jersey 07011

(City, State, Zip Code)

(973) 340-4310 / (973) 340-4321

(Phone number) (ext)

(Fax number)

lamodio@pvwc.com

(Email Address)

# AUTHORITY INFORMATION SHEET

## 2014

Please complete the following information regarding this Authority:

<b>Name of Authority:</b>	Passaic Valley Water Commission		
<b>Address:</b>	1525 Main Avenue		
<b>City, State, Zip:</b>	Clifton	NJ	07011
<b>Phone: (ext.)</b>	(973) 340-4300	<b>Fax:</b>	(973) 340-4334

<b>Preparer's Name:</b>	Yitzchak Weiss		
<b>Preparer's Address:</b>	1525 Main Avenue		
<b>City, State, Zip:</b>	Clifton	NJ	07011
<b>Phone: (ext.)</b>	(973) 340-4328	<b>Fax:</b>	(973) 340-4334

<b>Chief Executive Officer:</b>	Joseph A. Bella		
<b>Phone: (ext.)</b>	(973) 340-4307	<b>Fax:</b>	(973) 340-7567
<b>E-mail:</b>	<a href="mailto:jabella@pvwc.com">jabella@pvwc.com</a>		

<b>Chief Financial Officer:</b>	Yitzchak Weiss		
<b>Phone: (ext.)</b>	(973) 340-4328	<b>Fax:</b>	(973) 340-4334
<b>E-mail:</b>	<a href="mailto:yweiss@pvwc.com">yweiss@pvwc.com</a>		

<b>Name of Auditor:</b>	Steven Wielkotz		
<b>Name of Firm:</b>	Ferraioli, Wielkotz, Cerullo & Cuva		
<b>Address:</b>	401 Wanaque Avenue		
<b>City, State, Zip:</b>	Pompton Lakes	NJ	07442
<b>Phone: (ext.)</b>	(973) 835-7900	<b>Fax:</b>	(973) 835-6631
<b>E-mail:</b>	<a href="mailto:Wielkotz@optonline.net">Wielkotz@optonline.net</a>		

Membership of Board of Commissioners (Full Name)	Title
Rigo Sanchez	President
Jeffrey Levine	Vice President
Menachem Bazian	Treasurer
Gloria Kolodziej	Secretary
Chrystal Cleaves	Commissioner
Thomas P. DeVita	Commissioner
Robert Vannoy	Commissioner

# 2014 Authority Budget Resolution

## Passaic Valley Water Commission

(Name)

FISCAL YEAR: FROM January 1, 2014 TO December 31, 2014

WHEREAS, the Annual Budget and Capital Budget for the Passaic Valley Water Commission for the fiscal year beginning, January 1, and ending, December 31, 2014 has been presented before the governing body of the Passaic Valley Water Commission at its open public meeting of December 18, 2013; and

WHEREAS, the Annual Budget as introduced reflects Total Revenues of \$ 85,538,753, Total Appropriations, including any Accumulated Deficit if any, of \$ 78,876,663 and Total Unrestricted Net Assets utilized of \$ 0; and

WHEREAS, the Capital Budget as introduced reflects Total Capital Appropriations of \$ 18,748,000 and Total Unrestricted Net Assets planned to be utilized as funding thereof, of \$ 6,400,000; and

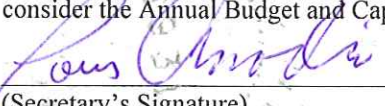
WHEREAS, the schedule of rates, fees and other charges in effect will produce sufficient revenues, together with all other anticipated revenues to satisfy all obligations to the holders of bonds of the Authority, to meet operating expenses, capital outlays, debt service requirements, and to provide for such reserves, all as may be required by law, regulation or terms of contracts and agreements; and

WHEREAS, the Capital Budget/Program, pursuant to N.J.A.C. 5:31-2, does not confer any authorization to raise or expend funds; rather it is a document to be used as part of the said Authority's planning and management objectives. Specific authorization to expend funds for the purposes described in this section of the budget, must be granted elsewhere; by bond resolution, by a project financing agreement, by resolution appropriating funds from the Renewal and Replacement Reserve or other means provided by law.

NOW, THEREFORE BE IT RESOLVED, by the governing body of the Passaic Valley Water Commission, at an open public meeting held on December 18, 2013 that the Annual Budget, including appended Supplemental Schedules, and the Capital Budget/Program of the Passaic Valley Water Commission for the fiscal year beginning, January 1, and ending, December 31, 2014 is hereby approved; and

BE IT FURTHER RESOLVED, that the anticipated revenues as reflected in the Annual Budget are of sufficient amount to meet all proposed expenditures/expenses and all covenants, terms and provisions as stipulated in the said Authority's outstanding debt obligations, capital lease arrangements, service contracts, and other pledged agreements; and

BE IT FURTHER RESOLVED, that the governing body of the Passaic Valley Water Commission will consider the Annual Budget and Capital Budget/Program for adoption on January 22, 2014.

  
(Secretary's Signature)

12/18/2013  
(Date)

Governing Body Member:	Recorded Vote			
	Aye	Nay	Abstain	Absent
<b>Bazian, Menachem</b>				<b>X</b>
<b>Vannoy, Robert</b>	<b>X</b>			
<b>Levine, Jeffrey</b>	<b>X</b>			
<b>Cleaves, Chrystal</b>	<b>X</b>			
<b>Kolodziej, Gloria</b>	<b>X</b>			
<b>DeVita, Thomas P.</b>	<b>X</b>			
<b>Sanchez, Rigo</b>				<b>X</b>

**BUDGET MESSAGE 2014**  
**Passaic Valley Water Commission**  
(Name)

**AUTHORITY BUDGET**

**FISCAL YEAR: FROM January 1, 2014 TO December 31, 2014**

1. Complete a brief statement on the PVWC proposed Annual Budget and make comparison to the current year's adopted budget. Explain significant increases or decreases, if any.

The 2014 Budget includes a slight rate increase which we project will enable us to meet current obligations, projected debt service and budgeted expenditures. Passaic Valley Water Commission is operating under a five-year plan which is designed to bolster our operating reserves and allow for investment in capital.

2. Complete a brief statement on the impact the proposed Annual Budget will have on Anticipated Revenues, especially service charges and on the general purpose/component unit financial statements. Explain significant increases or decreases, if any.

A 4.0% retail rate increase and a 5.0% wholesale rate increase has been approved pursuant to our five-year plan. Other aspects of our rate structure remain stable.

3. Describe the state of the local/regional economy and how it may impact the proposed Annual Budget, including the planned Capital Budget/Program.

Technological improvements continue to reduce annual consumption on an individual, per-capita basis. Escalating cost of employee benefits continues to be a concern. We have been mandated to cover our finished water reservoirs, which will significantly impact our capital needs in the next few years.

4. Describe the reasons for utilizing Unrestricted Net Assets in the proposed Annual Budget, i.e. rate stabilization, debt service reduction, to balance the budget, etc.

N/A

5. If the proposed Annual Budget contains an Accumulated Deficit either existing or anticipated, pursuant to N.J.S.A 40A:5A-12, then an explanation as to reasons for occurrence must be disclosed.

N/A



2014

# AUTHORITY BUDGET

(OPERATION)

Passaic Valley Water Commission Authority

FISCAL YEAR: FROM JANUARY 1, 2014 TO DECEMBER 31, 2014

## ---ANTICIPATED REVENUES---

OPERATING REVENUES -----	CROSS REF. -----	2014 PROPOSED BUDGET -----	2013 CURRENT YEAR'S ADOPTED BUDGET -----
SERVICE CHARGES	* A-1 *	\$48,658,583 *	\$47,732,367 *
CONNECTION FEES	* A-2 *		
PARKING FEES	* A-3 *		
OTHER OPERATING REVENUES	* A-4 *	\$36,680,170 *	\$35,768,123 *
<b>TOTAL OPERATING REVENUES</b>	* R-1 *	<u>\$85,338,753 *</u>	<u>\$83,500,490 *</u>

NON-OPERATING REVENUES -----	CROSS REF. -----	2014 PROPOSED BUDGET -----	2013 CURRENT YEAR'S ADOPTED BUDGET -----
OPERATING GRANTS & ENTITLEMENTS	* A-5 *		
LOCAL SUBSIDIES & DONATIONS	* A-6 *		
INTEREST ON INVESTMENTS AND DEPOSIT	* A-7 *	\$200,000 *	\$336,600 *
OTHER NON-OPERATING REVENUES	* A-8 *		
<b>TOTAL NON-OPERATING REVENUES</b>	* R-2 *	<u>\$200,000 *</u>	<u>\$336,600 *</u>

<b>TOTAL ANTICIPATED REVENUES</b> (R-1 + R-2)	* B-1 *	<u>\$85,538,753 *</u>	<u>\$83,837,090 *</u>
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2014

**AUTHORITY BUDGET**

(OPERATION)

Passaic Valley Water Commission Authority

FISCAL YEAR: FROM JANUARY 1, 2014 TO DECEMBER 31, 2014

**---BUDGETED APPROPRIATIONS---**

**--OPERATING APPROPRIATIONS--**

<b>ADMINISTRATION</b> -----	<b>CROSS REF.</b> -----	<b>2014 PROPOSED BUDGET</b> -----	<b>2013 CURRENT YEAR'S ADOPTED BUDGET</b> -----
SALARY & WAGES	* *	4,069,800.00 *	\$3,726,500 *
FRINGE BENEFITS	* *	\$2,377,086 *	\$2,544,803 *
OTHER EXPENSES	* *	15,888,450.00 *	\$16,767,836 *
<b>TOTAL ADMINISTRATION</b>	* <b>E-1</b> *	<b>\$22,335,336 *</b>	<b>\$23,039,139 *</b>

<b>COST OF PROVIDING SERVICES</b> -----	<b>CROSS REF.</b> -----	<b>2014 PROPOSED BUDGET</b> -----	<b>2013 CURRENT YEAR'S ADOPTED BUDGET</b> -----
SALARY & WAGES	* *	11,769,500.00 *	\$10,675,200 *
FRINGE BENEFITS	* *	\$6,874,321 *	\$7,295,197 *
OTHER EXPENSES	* *	20,752,000.00 *	\$21,107,714 *
<b>TOTAL COST OF PROVIDING SERVICES</b>	* <b>E-2</b> *	<b>\$39,395,821 *</b>	<b>\$39,078,111 *</b>

<b>TOTAL PRINCIPAL PAYMENTS ON DEBT SERVICE IN LIEU OF DEPRECIATION</b>	* <b>D-1</b> *	<b>\$10,585,780 *</b>	<b>\$10,824,554 *</b>
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<b>TOTAL OPERATING APPROPRIATIONS</b> (E-1 + E-2 + D-1)	* <b>B-2</b> *	<b>\$72,316,937 *</b> =====	<b>\$72,941,804 *</b> =====
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2014

# AUTHORITY BUDGET

(OPERATION)

Passaic Valley Water Commission Authority

FISCAL YEAR: FROM JANUARY 1, 2014 TO DECEMBER 31, 2014

## ---BUDGETED APPROPRIATIONS---

### --NON-OPERATING APPROPRIATIONS--

				2014 PROPOSED BUDGET		2013 CURRENT YEAR'S ADOPTED BUDGET	
		CROSS REF.					
TOTAL INTEREST PAYMENTS ON DEBT	*	D-2	*	\$6,559,726	*	\$6,181,296	*
OPERATIONS & MAINTENANCE RESERVE	*		*		*		*
RENEWAL & REPLACEMENT RESERVE(S)	*	C-1	*		*		*
MUNICIPALITY/COUNTY APPROPRIATION	*		*		*		*
OTHER RESERVES	*	C-2	*		*		*
<b>TOTAL NON-OPERATING APPROPRIATIONS</b>	*	<b>B-3</b>	*	<b>\$6,559,726</b>	*	<b>\$6,181,296</b>	*
<b>ACCUMULATED DEFICIT</b>	*	<b>B-4</b>	*		*		*
<b>TOTAL OPERATING &amp; NON-OPERATING APPROPRIATIONS &amp; ACCUMULATED DEFICIT (B-2 + B-3 + B-4)</b>	*	<b>B-5</b>	*	<b>\$78,876,663</b>	*	<b>\$79,123,100</b>	*
UNRESTRICTED NET ASSETS UTILIZED:							
MUNICIPALITY/COUNTY APPROPRIATION	*	R-3a	*		*		*
OTHER	*	R-3b	*		*		*
<b>LESS: TOTAL UNRESTRICTED NET ASSETS UTILIZED (R-3a + R-3b)</b>	*	<b>R-3</b>	*		*		*
<b>NET TOTAL APPROPRIATIONS (B-5 - R-3)</b>	*	<b>B-6</b>	*	<b>\$78,876,663</b>	*	<b>\$79,123,100</b>	*

2014

Passaic Valley Water  
Commission  
(Name)

AUTHORITY  
CAPITAL  
BUDGET/  
PROGRAM

# 2014 CERTIFICATION of AUTHORITY CAPITAL BUDGET/PROGRAM

**Passaic Valley Water Commission**

(Name)

FISCAL YEAR: FROM January 1, 2014 TO December 31, 2014

☒ It is hereby certified that the Authority Capital Budget/Program annexed hereto is a true copy of the Capital Budget/Program approved, pursuant to N.J.A.C. 5:31-2.2, along with the Annual Budget, by the governing body of the Passaic Valley Water Commission, on the 18<sup>th</sup> day of December, 2013.

OR

☐ It is further certified that the governing body of the \_\_\_\_\_ Authority have elected **NOT** to adopt a Capital Budget /Program for the aforesaid fiscal year, pursuant to N.J.A.C. 5:31-2.2 for the following reason(s): \_\_\_\_\_

  
\_\_\_\_\_  
(Secretary's signature)

Louis Amodio  
\_\_\_\_\_  
(Print Name)

Administrative Secretary  
\_\_\_\_\_  
(Title)

1525 Main Avenue  
\_\_\_\_\_  
(Address)

Clifton, New Jersey 07011  
\_\_\_\_\_  
(City, State, Zip Code)

(973) 340-4310 / (973) 340-4321  
\_\_\_\_\_  
(Phone number) (ext) (Fax number)

lamodio@pvwc.com  
\_\_\_\_\_  
(Email Address)

# 2014 Capital Budget/Program Message

## Passaic Valley Water Commission

FISCAL YEAR: FROM January 1, 2014 TO December 31, 2014

1. Has each municipality or county affected by the actions of the authority participated in the development of the capital plan and reviewed or approved the plans or projects included within the Capital Budget/Program?

The Capital Budget Program has been reviewed by Passaic Valley Water Commission management and Board of Commissioners. Ownership of Passaic Valley Water Commission is shared by the Cities of Paterson, Passaic and Clifton. The commissioners representing the three owner-municipalities inform the local governing bodies upon request.

2. Has each capital project/project financing been developed from a specific capital improvements plan or report; does it include full lifecycle costs, and is it consistent with appropriate elements of Master Plans or other plans in the jurisdictions served by the authority?

Capital projects are constantly being developed and evaluated by the Engineering Department based on feasibility studies. The Director of Engineering constantly reviews and reevaluates lifecycle costs according to plan.

3. Has a long-term (10-20 years) infrastructure needs assessment or other capital plan with a horizon beyond six years been prepared?

An ongoing Master Plan has been developed. Various projects are currently in progress. Capital needs are being assessed for the next fifty years.

4. Describe the projected impacts of the proposed capital projects, including impact on the schedule of rates, fees, and service charges and the impact on current and future year's schedules.

Passaic Valley Water Commission hired a rate consultant to complete a Cost of Service study in 2013. The study incorporated vital capital infrastructure repair and maintenance to our system and allocated the costs across ratepayers in an equitable manner. The study recommended streamlining our rate structure and increasing rates. Same has been approved by the Board of Commissioners. In 2009 the Board commissioned a five-year operating and capital plan which incorporated current and future debt issues and projects minimal rate increases as a result. The five-year plan has been updated in 2013 to reflect current results of operations and capital projects we have been mandated to undertake. We plan to review and update our Cost of Service study again in 2016.

5. Please indicate which capital projects/project financings are being undertaken in the Metropolitan or Suburban Planning Areas as defined in the State Development and Redevelopment Plan.

None

6. Please indicate which capital projects/project financings are being undertaken within the boundary of a State Planning Commission-designated Center and/or Endorsed Plan and if the project was included in the Plan Implementation Agenda for that Center/Endorsed Plan?

None

**Add additional sheets if necessary.**

2014

**AUTHORITY CAPITAL BUDGET**

(OPERATION)

Passaic Valley Water Commission Authority

FISCAL YEAR: FROM JANUARY 1, 2014 TO DECEMBER 31, 2014

PROPOSED YEAR'S CAPITAL IMPROVEMENT PLAN

PROJECTS	ESTIMATED TOTAL COST	-----FUNDING SOURCES-----			
		UNRESTRICTED NET ASSETS	RENEWAL & REPLACEMENT RESERVE	DEBT AUTHORIZATION	OTHER SOURCES
A	\$18,748,000	\$6,400,000		\$12,348,000	
B					
C					
D					
E					
F					
G					
H					
I					
J					
K					
L					
M					
N					
TOTAL	\$18,748,000	\$6,400,000		\$12,348,000	
	=====	=====	=====	=====	=====

2014

**AUTHORITY CAPITAL PROGRAM**

(OPERATION)

Passaic Valley Water Commission Authority

FISCAL YEAR: FROM JANUARY 1, 2014 TO DECEMBER 31, 2014

**5 YEAR CAPITAL IMPROVEMENT PLAN COSTS**

PROJECTS	ESTIMATED TOTAL COST	2014	2015	2016	2017	2018
A	\$191,009,000	\$18,748,000	\$35,011,000	\$41,793,000	\$50,555,000	\$44,902,000
B						
C						
D						
E						
F						
G						
H						
I						
J						
K						
L						
M						
N						
TOTAL	\$191,009,000 =====	\$18,748,000 =====	\$35,011,000 =====	\$41,793,000 =====	\$50,555,000 =====	\$44,902,000 =====



2014

**AUTHORITY CAPITAL PROGRAM**

(OPERATION)

Passaic Valley Water Commission Authority

FISCAL YEAR: FROM JANUARY 1, 2014 TO DECEMBER 31, 2014

5 YEAR CAPITAL PLAN FUNDING SOURCES: From 2014 to 2018

PROJECTS	ESTIMATED TOTAL COST	-----FUNDING SOURCES-----			
		UNRESTRICTED NET ASSETS	RENEWAL & REPLACEMENT RESERVE	DEBT AUTHORIZATION	OTHER SOURCES
A	\$191,009,000	\$37,900,000		\$153,109,000	
B					
C					
D					
E					
F					
G					
H					
I					
J					
K					
L					
M					
N					
TOTAL	\$191,009,000	\$37,900,000		\$153,109,000	

2014  
Passaic Valley Water  
Commission  
(Name)

AUTHORITY

SUPPLEMENTAL SCHEDULES

STATE OF NEW JERSEY

DIVISION OF LOCAL GOVERNMENT SERVICES

2014

**AUTHORITY BUDGET**  
SUPPLEMENTAL SCHEDULES

(OPERATION)

Passaic Valley Water Commission Authority

FISCAL YEAR: FROM JANUARY 1, 2014 TO DECEMBER 31, 2014

==== OPERATING REVENUES ====

----SERVICE CHARGES----	CROSS REF.	# UNITS	2014 PROPOSED ANNUAL COLLECTION	# UNITS	2013 CURRENT YEAR'S ADOPTED BUDGET
RESIDENTIAL	*	*		*	*
BUSINESS/COMMERCIAL	*	*		*	*
INDUSTRIAL	*	*		*	*
INTERGOVERNMENTAL	*	*		*	*
METERED SERVICE CHARGES	*	*	\$48,658,583	*	\$47,732,367
<b>TOTAL SERVICE CHARGES</b>	*	<b>A-1</b>	\$48,658,583	*	\$47,732,367
			=====		=====

----CONNECTION FEES----	CROSS REF.	# UNITS	2014 PROPOSED ANNUAL COLLECTION	# UNITS	2013 CURRENT YEAR'S ADOPTED BUDGET
RESIDENTIAL	*	*		*	*
BUSINESS/COMMERCIAL	*	*		*	*
INDUSTRIAL	*	*		*	*
INTERGOVERNMENTAL	*	*		*	*
OTHER	*	*		*	*
<b>TOTAL CONNECTION FEES</b>	*	<b>A-2</b>		*	
			=====		=====

\* INCLUDE ALL APPLICABLE RATE SCHEDULES TO SUPPORT SUCH FEES

2014

**AUTHORITY BUDGET**  
SUPPLEMENTAL SCHEDULES

(OPERATION)

Passaic Valley Water Commission Authority

FISCAL YEAR: FROM JANUARY 1, 2014 TO DECEMBER 31, 2014

==== OPERATING REVENUES ====

----PARKING FEES----	CROSS REF.	# UNITS	2014 PROPOSED ANNUAL COLLECTION	# UNITS	2013 CURRENT YEAR'S ADOPTED BUDGET
METERS	*	*		*	*
PERMITS	*	*		*	*
FINES/PENALTIES	*	*		*	*
OTHER	*	*		*	*
<b>TOTAL PARKING FEES</b>	*	A-3 *		*	*

---OTHER OPERATING REVENUES---

	CROSS REF.		2014 PROPOSED ANNUAL COLLECTION		2013 CURRENT YEAR'S ADOPTED BUDGET
<b>LIST IN DETAIL:</b>					
Service Agreements (Bulk)	*	*	\$26,321,998	*	\$25,354,843 *
Fines/Penalties	*	*	\$248,000	*	\$332,000 *
Fireline Service	*	*	\$5,155,518	*	\$4,905,444 *
Other Services/Repairs	*	*	\$4,954,654	*	\$5,175,836 *
	*	*		*	*
<b>TOTAL OTHER REVENUES</b>	*	A-4 *	\$36,680,170	*	\$35,768,123 *

\* INCLUDE ALL APPLICABLE RATE SCHEDULES TO SUPPORT SUCH FEES

2014

**AUTHORITY BUDGET**  
SUPPLEMENTAL SCHEDULES

(OPERATION)

Passaic Valley Water Commission Authority

FISCAL YEAR: FROM JANUARY 1, 2014 TO DECEMBER 31, 2014

==== NON-OPERATING REVENUES ====

----GRANTS &---- ----ENTITLEMENTS----	CROSS REF.	2014 PROPOSED BUDGET	2013 CURRENT YEAR'S ADOPTED BUDGET
LIST IN DETAIL:			
	*	*	*
	*	*	*
	*	*	*
	*	*	*
TOTAL GRANTS & ENT.	* A-5 *		
		=====	=====

---LOCAL SUBSIDIES--- ---& DONATIONS---	CROSS REF.	2014 PROPOSED BUDGET	2013 CURRENT YEAR'S ADOPTED BUDGET
LIST IN DETAIL:			
	*	*	*
	*	*	*
	*	*	*
	*	*	*
TOTAL SUB. & DONATIONS	* A-6 *		
		=====	=====

2014

**AUTHORITY BUDGET**  
**SUPPLEMENTAL SCHEDULES**

(OPERATION)

Passaic Valley Water Commission Authority

FISCAL YEAR: FROM JANUARY 1, 2014 TO DECEMBER 31, 2014

==== NON-OPERATING REVENUES ====

---INTEREST ON INVESTMENTS---  
---AND DEPOSITS---

	CROSS REF.	2014 PROPOSED BUDGET	2013 CURRENT YEAR'S ADOPTED BUDGET
INVESTMENTS	*	\$200,000	\$336,600
SECURITY DEPOSITS	*		
PENALTIES	*		
OTHER INVESTMENTS	*		
TOTAL INTEREST ON INVESTMENTS & DEPOSITS	* A-7	\$200,000	\$336,600

---OTHER NON-OPERATING REVENUES---

	CROSS REF.	2014 PROPOSED BUDGET	2013 CURRENT YEAR'S ADOPTED BUDGET
LIST IN DETAIL:	*		
	*		
	*		
	*		
	*		
TOTAL OTHER REVENUES	* A-8		

2014

**AUTHORITY BUDGET**  
SUPPLEMENTAL SCHEDULES

(OPERATION)

Passaic Valley Water Commission Authority

FISCAL YEAR: FROM JANUARY 1, 2014 TO DECEMBER 31, 2014

==== NON-OPERATING APPROPRIATIONS ====

----RENEWAL &---- ---REPLACEMENT RESERVE(S)---	CROSS REF.	2014 PROPOSED BUDGET	2013 CURRENT YEAR'S ADOPTED BUDGET
LIST IN DETAIL:			
	*	*	*
	*	*	*
	*	*	*
	*	*	*
TOTAL RENEWAL & REPLACEMENT RESERVE(S)	* C-1 *		*
		=====	=====

---OTHER RESERVES---	CROSS REF.	2014 PROPOSED BUDGET	2013 CURRENT YEAR'S ADOPTED BUDGET
LIST IN DETAIL:			
	*	*	*
	*	*	*
	*	*	*
	*	*	*
TOTAL OTHER RESERVES	* C-2 *		*
		=====	=====



2014

**AUTHORITY BUDGET**  
SUPPLEMENTAL SCHEDULES

(OPERATION)

Passaic Valley Water Commission Authority

FISCAL YEAR: FROM JANUARY 1, 2014 TO DECEMBER 31, 2014

==== BUDGETED DEBT SERVICE REQUIREMENTS ====

---PRINCIPAL PAYMENTS---

	CROSS REF.	2014 PROPOSED BUDGET	2013 CURRENT YEAR'S ADOPTED BUDGET
AUTHORITY NOTES	* P-1 *		
AUTHORITY BONDS	* P-2 *	\$10,519,696	\$10,760,395
CAPITAL LEASES	* P-3 *	\$66,084	\$64,159
INTERGOVERN. LOANS	* P-4 *		
OTHER OBLIGATIONS	* P-5 *		
<b>TOTAL PRINCIPAL PAYMENTS</b>	<b>* D-1 *</b>	<b>\$10,585,780</b>	<b>\$10,824,554</b>

---INTEREST PAYMENTS---

	CROSS REF.	2014 PROPOSED BUDGET	2013 CURRENT YEAR'S ADOPTED BUDGET
AUTHORITY NOTES	* I-1 *		
AUTHORITY BONDS	* I-2 *	\$6,559,726	\$6,181,296
CAPITAL LEASES	* I-3 *		
INTERGOVERN. LOANS	* I-4 *		
OTHER OBLIGATIONS	* I-5 *		
<b>TOTAL INTEREST PAYMENTS</b>	<b>* D-2 *</b>	<b>\$6,559,726</b>	<b>\$6,181,296</b>

2014

**AUTHORITY BUDGET**

(OPERATION)

**SUPPLEMENTAL SCHEDULES**

Passaic Valley Water Commission Authority

FISCAL YEAR: FROM JANUARY 1, 2014 TO DECEMBER 31, 2014

**5 YEAR DEBT SERVICE SCHEDULE**

PRINCIPAL PAYMENTS	YEARS					
	Prior Year 2013	2014	2015	2016	2017	2018
--AUTHORITY NOTES--						
Additional debt approved *	*	*	*	*	*	*
	*	*	*	*	*	*
	*	*	*	*	*	*
	*	*	*	*	*	*
<b>TOTAL PAYMENTS P-1</b> *	*	*	*	*	*	*
--AUTHORITY BONDS--						
Per 12/31/12 audit *	\$9,310,395 *	\$9,669,696 *	\$9,809,982 *	\$9,570,125 *	\$9,922,268 *	\$10,231,257 *
Additional debt approved *	\$1,450,000 *	\$850,000 *	\$940,000 *	\$955,000 *	\$2,565,000 *	\$4,370,000 *
	*	*	*	*	*	*
<b>TOTAL PAYMENTS P-2</b> *	\$10,760,395 *	\$10,519,696 *	\$10,749,982 *	\$10,525,125 *	\$12,487,268 *	\$14,601,257 *
--AUTHORITY CAPITAL LEASES--						
Lodi *	\$64,159 *	\$66,084 *	\$68,066 *	\$70,108 *	\$72,211 *	\$74,378 *
	*	*	*	*	*	*
	*	*	*	*	*	*
<b>TOTAL PAYMENTS P-3</b> *	\$64,159 *	\$66,084 *	\$68,066 *	\$70,108 *	\$72,211 *	\$74,378 *
--AUTHORITY INTERGOVERNMENTAL LOANS--						
	*	*	*	*	*	*
	*	*	*	*	*	*
	*	*	*	*	*	*
<b>TOTAL PAYMENTS P-4</b> *	*	*	*	*	*	*
--AUTHORITY OBLIGATIONS (LIST)--						
	*	*	*	*	*	*
	*	*	*	*	*	*
	*	*	*	*	*	*
<b>TOTAL PAYMENTS P-5</b> *	*	*	*	*	*	*
<b>TOTAL PRINCIPAL DEBT PAYMENTS SS-6</b> *	\$10,824,554 *	\$10,585,780 *	\$10,818,048 *	\$10,595,233 *	\$12,559,479 *	\$14,675,635 *

2014

**AUTHORITY BUDGET**

(OPERATION)

**SUPPLEMENTAL SCHEDULES**

Passaic Valley Water Commission Authority

FISCAL YEAR: FROM JANUARY 1, 2014 TO DECEMBER 31, 2014

INTEREST PAYMENTS	5 YEAR DEBT SERVICE SCHEDULE					
	YEARS					
	Prior Year 2013	2014	2015	2016	2017	2018
--AUTHORITY NOTES--						
Additional debt approved	*	*	*	*	*	*
	*	*	*	*	*	*
	*	*	*	*	*	*
	*	*	*	*	*	*
<b>TOTAL PAYMENTS I-1</b>	*	*	*	*	*	*
--AUTHORITY BONDS--						
Per 12/31/12 audit	* \$5,969,407 *	* \$5,732,237 *	* \$5,478,788 *	* \$5,117,815 *	* \$4,755,624 *	* \$4,368,374 *
Additional debt approved	* \$211,889 *	* \$827,489 *	* \$972,457 *	* \$1,451,423 *	* \$1,433,564 *	* \$2,182,569 *
	*	*	*	*	*	*
<b>TOTAL PAYMENTS I-2</b>	* \$6,181,296 *	* \$6,559,726 *	* \$6,451,245 *	* \$6,569,238 *	* \$6,189,188 *	* \$6,550,943 *
--AUTHORITY CAPITAL LEASES--						
	*	*	*	*	*	*
	*	*	*	*	*	*
	*	*	*	*	*	*
<b>TOTAL PAYMENTS I-3</b>	*	*	*	*	*	*
--AUTHORITY INTERGOVERNMENTAL LOANS--						
	*	*	*	*	*	*
	*	*	*	*	*	*
	*	*	*	*	*	*
<b>TOTAL PAYMENTS I-4</b>	*	*	*	*	*	*
--AUTHORITY OBLIGATIONS (LIST)--						
	*	*	*	*	*	*
	*	*	*	*	*	*
	*	*	*	*	*	*
<b>TOTAL PAYMENTS I-5</b>	*	*	*	*	*	*
<b>TOTAL INTEREST</b>						
<b>DEBT PAYMENTS SS-6</b>	* \$6,181,296 *	* \$6,559,726 *	* \$6,451,245 *	* \$6,569,238 *	* \$6,189,188 *	* \$6,550,943 *
	=====	=====	=====	=====	=====	=====

Passaic Valley Water Commission Authority

**AUTHORITY BUDGET  
SUPPLEMENTAL SCHEDULES**

(OPERATION)

**FISCAL YEAR: FROM JANUARY 1, 2014 TO DECEMBER 31, 2014**

(1) PY UNRESTRICTED NET ASSETS PY AUDIT \* \$10,333,916 \*

**ADJUSTMENTS DURING CURRENT YEAR**

(a) EST. NET INCOME OR (LOSS) ON CURRENT

YEAR'S RESULTS OF OPERATIONS \*

\* 14,962,433 \*

(Include unbudgeted use of unrestricted net assets)

(b) ADJUSTMENTS: OTHER (Attach list): \*

\*  \*

(2) SUBTOTAL - ADJUSTMENTS (ADD AMOUNTS ON LINES a-b) \* 14,962,433 \*

(3) ADD LINES 1 AND 2 \* 25,296,349 \*

**CURRENT YEAR ESTIMATED CHANGES IN RESTRICTIONS**

(attach documentation)

(c) DEBT SERVICE

INC./(DEC.) \*  \*

(d) MAINTENANCE RESERVE

\*  \*

(e) OPERATING REQUIREMENT

\*  \*

(f) OTHER LEGAL RESERVATIONS

\*  \*

(4) SUB-TOTAL - RESTRICTIONS (ADD AMOUNTS ON LINES c-f) \*  \*

**DESIGNATIONS (attach documentation)**

(g) NON-OPERATING IMPROVEMENTS & REPAIRS (CB-4&5)

\*  \*

(h) CONTRIBUTION TO RATE STABILIZATION PLAN (#)

\*  \*

(i) OTHER BOARD DESIGNATION

\*  \*

(j) ADJUSTMENTS /OTHER (Attach list): \*

\*  \*

(5) SUBTOTAL - DESIGNATIONS (ADD AMOUNTS ON LINES g-i) \*  \*

(6) ADD LINES 4 and 5 \*  \*

(7) UNRESTRICTED NET ASSETS AVAILABLE FOR USE IN PROPOSED BUDGET \* 25,296,349 \*

(SUBTRACT LINE 6 FROM LINE 3)

**PROPOSED UTILIZATION OF AVAILABLE UNRESTRICTED NET ASSETS**

(8) AS REVENUE IN ANNUAL BUDGET (PAGE 6, LINE R-3b) \*

\*  \*

(9) FOR CURRENT YEAR CAPITAL BUDGET (PAGE CB-3) \*

\* 6,400,000 \*

(10) SUBTOTAL - U/R NET ASSETS UTILIZED (ADD AMOUNTS ON LINES 8-9) \* 6,400,000 \*

(11) MAXIMUM ALLOWABLE FOR APPROPRIATION TO MUNICIPALITY/COUNTY

(Budget Item B-2 times 5%)

\$3,615,847

(12) AS APPROPRIATED TO MUNICIPALITY/COUNTY (PAGE 6, LINE R-3a) \*  \*

(13) TOTAL UNRESTRICTED/UNDESIGNATED NET ASSETS \* \$18,896,349 \*

(SUBTRACT LINES 10 AND 12 FROM LINE 7)

(973) 340-4307 / (973) 340-7567

Phone # (extension) / Fax#

CERTIFIED BY:

EXECUTIVE DIRECTOR

(#) Explain in detail in the Budget Message

DATE:

PAGE SS-9

*12/20/13*

**CAPITAL IMPROVEMENT PLAN (2014 to 2018)**

PROJECT	DESCRIPTION	2014	2015	2016	2017	2018	Total
<b>Recurring Construction, Vehicles, &amp; Equipment</b>							
Cleaning and Lining	Annual C&L	\$ 3,000,000	\$ 2,652,000	\$ 2,682,000	\$ 2,764,000	\$ 2,848,000	\$ 13,946,000
Main Replacement	Annual Main Replacements	\$ 1,545,000	\$ 1,591,000	\$ 1,689,000	\$ 1,738,000	\$ 1,789,000	\$ 8,352,000
Valve & Hydrant Replacement	Annual (includes plant)	\$ 1,500,000	\$ 1,500,000	\$ 1,265,000	\$ 1,288,000	\$ 1,311,000	\$ 6,864,000
Meter Replacement	Annual Meter replacement Program	\$ 103,000	\$ 106,000	\$ 3,825,000	\$ 3,939,000	\$ 4,057,000	\$ 12,030,000
Plant/Distribution	Misc. Upgrades	\$ 618,000	\$ 637,000	\$ 656,000	\$ 675,000	\$ 696,000	\$ 3,282,000
Vehicles/Equipment	Trucks, Cars, Backhoes, etc.	\$ 500,000	\$ 350,000	\$ 250,000	\$ 350,000	\$ 350,000	\$ 1,800,000
<b>Subtotal Recurring Construction, Vehicles, &amp; Equipment</b>		<b>\$ 7,266,000</b>	<b>\$ 6,836,000</b>	<b>\$ 10,367,000</b>	<b>\$ 10,754,000</b>	<b>\$ 11,051,000</b>	<b>\$ 46,274,000</b>
<b>Discrete Projects</b>							
<b>Source of Supply</b>							
Dam Improvements							
New Street	Seismic Reinforcement of Dam	\$ 1,600,000					\$ 1,600,000
Secondary Wanaque Line	Install backup line for Wanaque feed		\$ 929,000				\$ 929,000
Wanaque Suction Line	Replace 48-inch Main				\$ 450,000	\$ 464,000	\$ 914,000
Intake Improvements	Head Gate Boom			\$ 328,000			\$ 328,000
<b>Subtotal Source of Supply Improvements</b>		<b>\$ 1,600,000</b>	<b>\$ -</b>	<b>\$ 1,257,000</b>	<b>\$ 450,000</b>	<b>\$ 464,000</b>	<b>\$ 3,771,000</b>

**CAPITAL IMPROVEMENT PLAN (2014 to 2018)**

PROJECT	DESCRIPTION	2014	2015	2016	2017	2018	Total
<b>Production &amp; Pumping</b>							
Main Pump Station Discharge Valves	Replace Disch V's-Main Pumps	\$ 103,000	\$ 106,000	\$ 109,000	\$ 113,000	\$ 116,000	\$ 547,000
Ozone System Upgrade	Ambient Air Vaporizers	\$ 1,318,000	\$ 339,000				\$ 1,657,000
Rehabilitate Chemical Systems	PACL Hypochlorite & Caustic	\$ 900,000	\$ 1,800,000				\$ 2,700,000
MCC Pump Drives	New VFDs for 4 pumps	\$ 618,000	\$ 412,000				\$ 1,030,000
Hydro-Turbine Generators	Refurbish & Re-Align 4 Turbine Generators		\$ 2,163,000	\$ 1,485,000			\$ 3,648,000
Residuals Treatment	Phase 1 - Bypass pipe, sewer manhole, etc.	\$ 206,000					\$ 206,000
	New Back-up Tank for Tank No. 3 and rehab			\$ 1,061,000	\$ 1,061,000	\$ 1,093,000	\$ 2,154,000
	New Thickener and rehab existing			\$ 637,000	\$ 656,000		\$ 1,293,000
	New Eq. Basins			\$ 159,000	\$ 164,000		\$ 323,000
	New polymer systems and misc.						
Boiler House	Replace Retaining Wall						
Boiler House	Remove Boiler House Roof			\$ 637,000			\$ 637,000
Filter Valve Actuators	Repair/Replace Valve Actuators			\$ 424,000	\$ 437,000		\$ 861,000
<b>Subtotal Production &amp; Pumping Improvements</b>		<b>\$ 3,145,000</b>	<b>\$ 4,820,000</b>	<b>\$ 4,512,000</b>	<b>\$ 3,524,000</b>	<b>\$ 1,209,000</b>	<b>\$ 17,210,000</b>

# CAPITAL IMPROVEMENT PLAN (2014 to 2018)

PROJECT	DESCRIPTION	2014	2015	2016	2017	2018	Total
<b>Distribution</b>							
Lodi Phases 2 and 3	Install ~ 6,000 lf of new 12" main				\$ 1,013,000		\$ 1,013,000
Lodi Hydrants and Valves	Replace old hydrants and valves			\$ 546,000	\$ 563,000		\$ 1,109,000
New Paterson (HillCrest) Main	7,000' of new 12" Main & Elim Granite Ave Tank			\$ 929,000	\$ 957,000		\$ 1,886,000
	Consulting-Phase 1-Design, Mgmt, Legal	\$ 1,236,000	\$ 2,122,000	\$ 874,000			\$ 4,232,000
	Consulting-Phase 2-Design, Mgmt, Legal			\$ 2,786,000	\$ 4,783,000	\$ 1,971,000	\$ 9,540,000
Open Finished Water Reservoirs	Phase 1-Const Levine & Stby Pwr @Plant		\$14,428,000	\$ 14,861,000	\$ 7,653,000		\$ 36,942,000
	Phase 2-Const-New St				\$ 15,442,000	\$15,905,000	\$ 31,347,000
	Phase 3-Const-Gt Notch						\$ -
	Back-up Power at Remote Pump Stations						\$ 1,109,000
Lodi Tank	Corrosion Inhibitor	\$ 515,000		\$ 546,000	\$ 563,000		\$ 1,624,000
Paterson Eastside	Repair and Repaint						\$ 515,000
PWWC/United Interconnection	2,200 feet of 16-inch main			\$ 410,000	\$ 422,000		\$ 832,000
Great Falls Arch Bridge	Upgrade interconnection in Lodi				\$ 675,000		\$ 675,000
Remote PS Upgrade Program	Repair & Re-Paint the Pedestrian Bridge	\$ 618,000				\$ 2,319,000	\$ 2,319,000
	Major Overhaul of Equipment, and Structures						\$ 618,000
						\$ 10,433,000	\$ 10,433,000
<b>Subtotal Distribution Improvements</b>		\$ 2,369,000	\$ 16,550,000	\$ 20,952,000	\$ 32,071,000	\$ 30,628,000	\$ 102,570,000
<b>Plant &amp; General Structures</b>							
Renovation of Operator's Office		\$ 50,000					\$ 50,000
Replace Roof & Skylights							\$ -
Replace Windows							\$ 582,000
Main Pumping Station	Main Pumping Station	\$ 57,000	\$ 525,000				\$ 582,000
Main Pumping Station	Main Pumping Station	\$ 412,000					\$ 412,000
WTP Admin Upgrades	Rehab. P.S. floor		\$ 1,273,000				\$ 1,273,000
Elect System Upgrades	Rehab. P.S. basement piping			\$ 1,421,000			\$ 1,421,000
Great Falls (Joe Heshing Bldg)	Upgrade Offices and Storage, HVAC		\$ 106,000	\$ 109,000			\$ 215,000
Point View	Miscellaneous Reliability Enhancements	\$ 206,000	\$ 212,000				\$ 418,000
New Street & Levine	Roof framing and roof replacement	\$ 52,000					\$ 52,000
Main Pump Station	Fencing		\$ 66,000	\$ 68,000	\$ 70,000	\$ 72,000	\$ 276,000
Cleanwell Baffles	Fencing		\$ 27,000	\$ 27,000	\$ 28,000	\$ 29,000	\$ 111,000
	Hydraulic Switchboard Rehabilitation				\$ 2,251,000		\$ 2,251,000
	Furnish & Install Baffles in the Cleanwells			212000			\$ 212,000
<b>Subtotal Plant &amp; General Structures</b>		\$ 777,000	\$ 2,209,000	\$ 1,837,000	\$ 2,349,000	\$ 101,000	\$ 7,273,000



**CAPITAL IMPROVEMENT PLAN (2014 to 2018)**

PROJECT	DESCRIPTION	2014	2015	2016	2017	2018	Total
<b>Instrumentation, Controls and Information Technologies</b>							
Business Process Review							
Distribution SCADA	Hardware & Software	\$ 1,236,000	\$ 1,273,000	\$ 1,311,000	\$ 1,351,000	\$ 1,391,000	\$ 6,562,000
WTP SCADA	Distribution System Instrumentation	\$ 510,000	\$ 525,000	\$ 557,000			\$ 1,592,000
Commercial Systems Upgrade	WTP System Upgrade	\$ 1,803,000	\$ 1,857,000				\$ 3,660,000
Engineering Systems	Radio Meter Read Monthly Accts	\$ 42,000	\$ 44,000				\$ 86,000
	Digital Mapping & GIS Ass't		\$ 515,000	\$ 530,000			\$ 1,045,000
	Security Consultant/Vulnerability Imp		\$ 53,000	\$ 55,000	\$ 56,000	\$ 58,000	\$ 222,000
	Automatic Inorganic Chemistry Syst			\$ 87,000			\$ 87,000
	IC		\$ 64,000				\$ 64,000
	Two GC's		\$ 106,000				\$ 106,000
	GCMS		\$ 159,000				\$ 159,000
	ICP/MS or ICP			\$ 328,000			\$ 328,000
<b>Subtotal Instrumentation, Controls and Information Technologies</b>		\$ 3,591,000	\$ 4,596,000	\$ 2,868,000	\$ 1,407,000	\$ 1,449,000	\$ 13,911,000
<b>TOTAL</b>		\$ 18,748,000	\$ 35,011,000	\$ 41,793,000	\$ 50,555,000	\$ 44,902,000	\$ 191,009,000