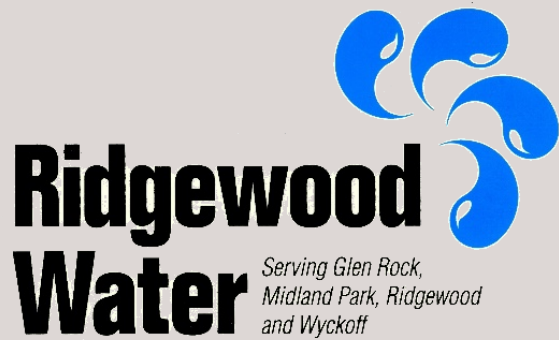




2023 Budget Presentation Ridgewood Water

DRAFT



Feb. 23, 2023

Copy of this presentation will be available on water.ridgewoodnj.net.



2023 Ridgewood Water Governing Body

Mayor Paul Vagianos

Deputy Mayor Pamela Perron

Councilwoman Lorraine Reynolds

Councilman Evan Weitz

Councilwoman Siobhan Winograd





2023 Ridgewood Water Operations Staff

Village of Ridgewood Manager: Heather Mailander

Director of Operations: Richard Calbi Jr.

Business Manager: Vacant

Superintendent: William Bierwas

Senior Engineer: Jill Fasano

Chief Water Treatment Plant Operator: James Tecchio

SCADA Operator & Programmer: Jose Leon

GIS Specialist: Neil Gallone

Senior Management Assistant: Justin Popek

Assistant Supervisor: Brian Ten Hoeve

Assistant Supervisor: Ralph Ruggiero

Plus 33 skilled programmers, labors, operators, repairers, technicians, inspectors and administrative representatives.





2023 Village Support Staff

Attorney/Legal Services

Management Information Systems (IT)

Clerk

Audit, Finance & Purchasing

Engineering

Streets Division

Signal Division & Property Maintenance

Central Garage (Fleet Services)

Parks & Shade Tree

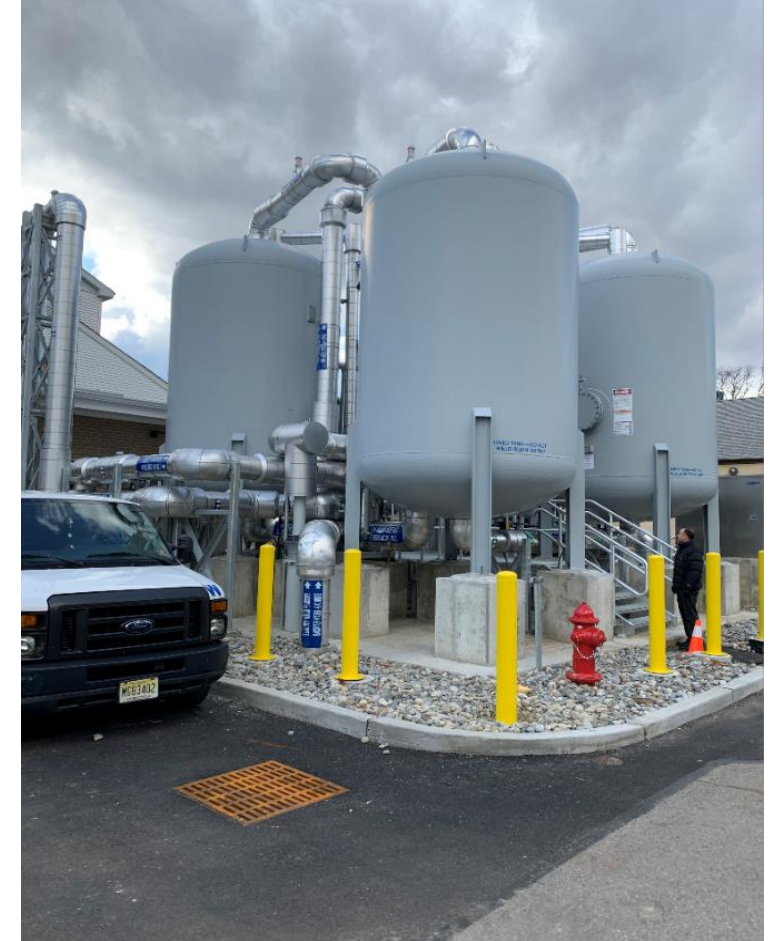
Fire Department

Police Department

Emergency Management & Services

2023 Steps with PFAS Treatment

- ❑ Carr and Twinney treatment facilities in operation.
- ❑ PVWC and Veolia interconnects active
- ❑ Carr/Linwood facility upgrade under construction
- ❑ Ravine/Marr facility contract award scheduled for 3/8/23
- ❑ Ames, Prospect, Cedar Hill, and Wortendyke facility to be publically bid, pending NJDEP permit approvals
- ❑ E. Ridgewood and West End facilities under final design
- ❑ Eastside, Main & Mountain final design and permitting contracts to be awarded.
- ❑ Operational Strategy in Affect

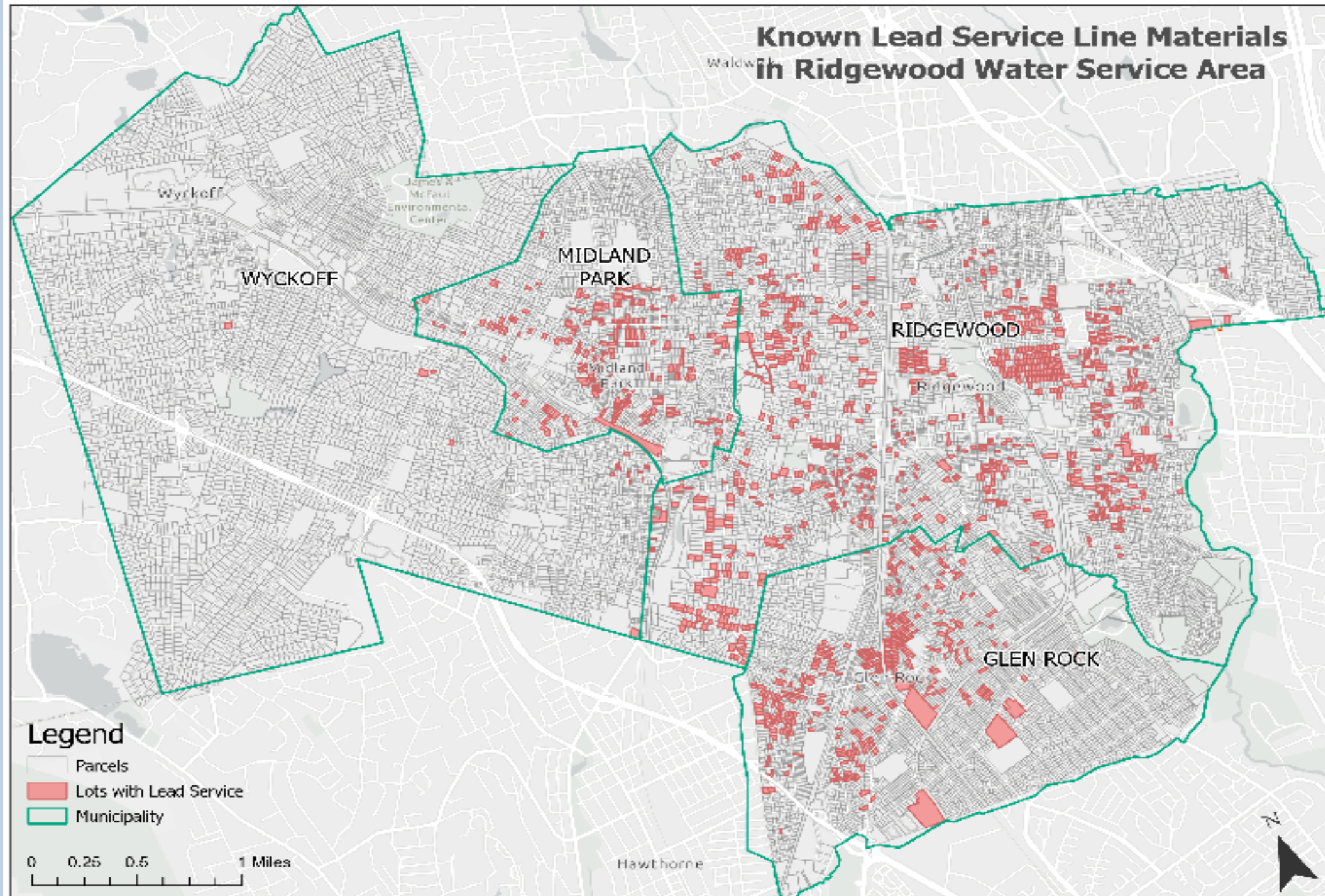


Next Steps: Lead Service Line Replacements

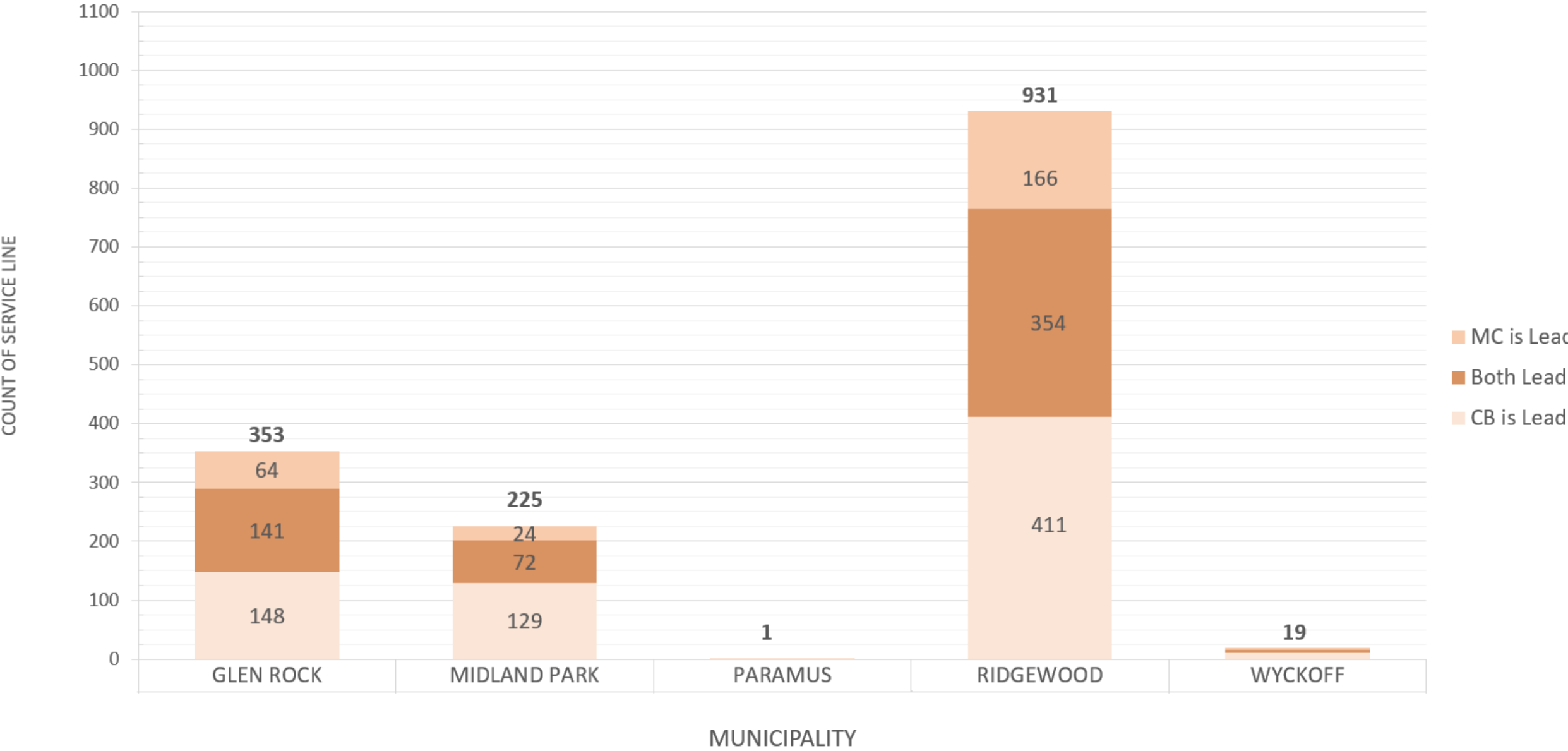
- Work already underway on utility owned sections (main to curbs)
- 120 main to curbs replaced in 2022
- Continue verifying materials for unknown service lines
- Working with each municipality to approve shared service agreements and ordinances required for private replacements
- Hire consultant to prepare plans and complete bid documents for phase 1 of replacements by July 2024



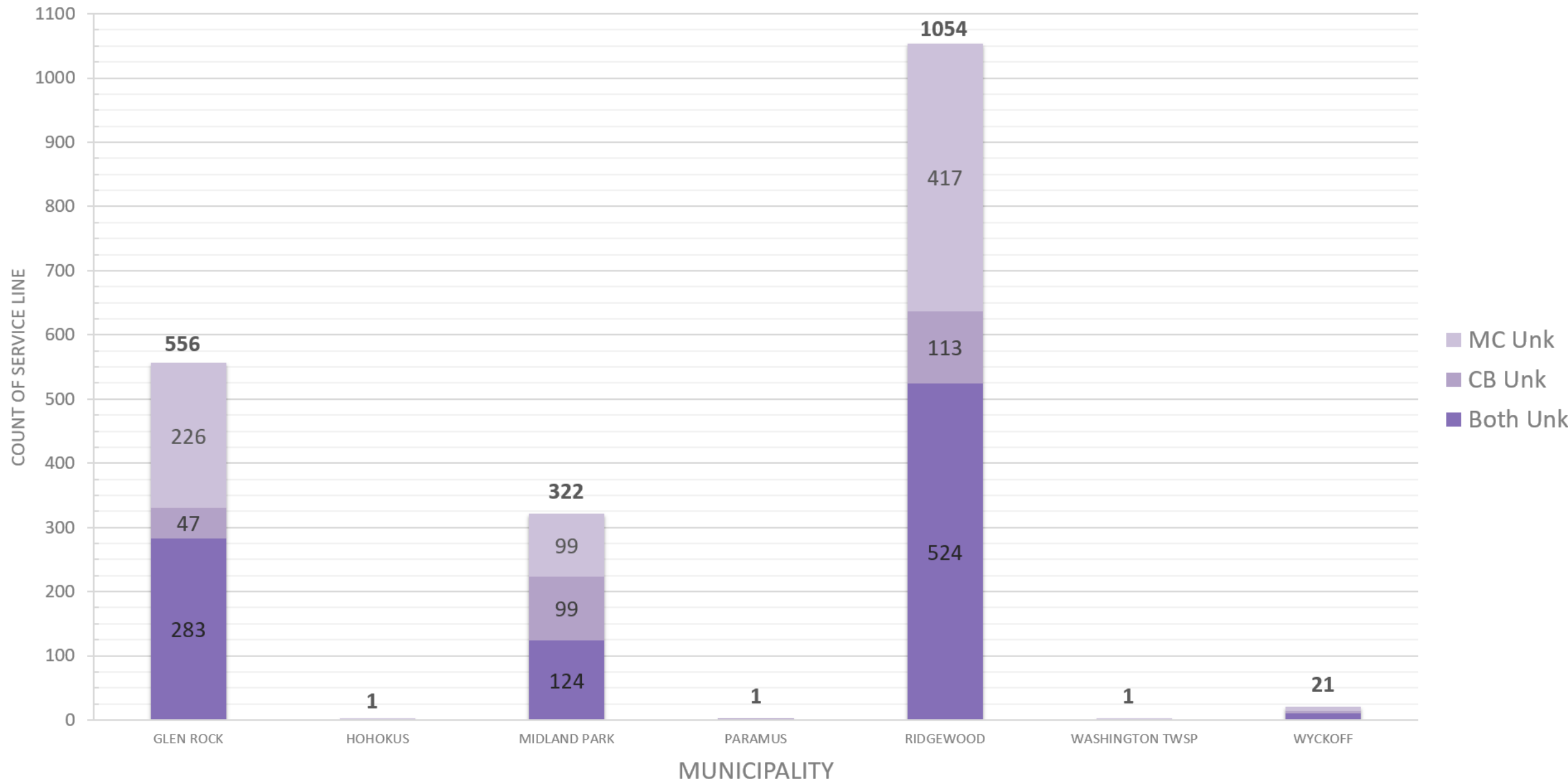
Known Lead Service Line Materials in Ridgewood Water Service Area



SERVICES LINES WITH KNOWN LEAD MATERIALS IN SYSTEM



SERVICE LINES WITH UNKNOWN MATERIALS IN SYSTEM



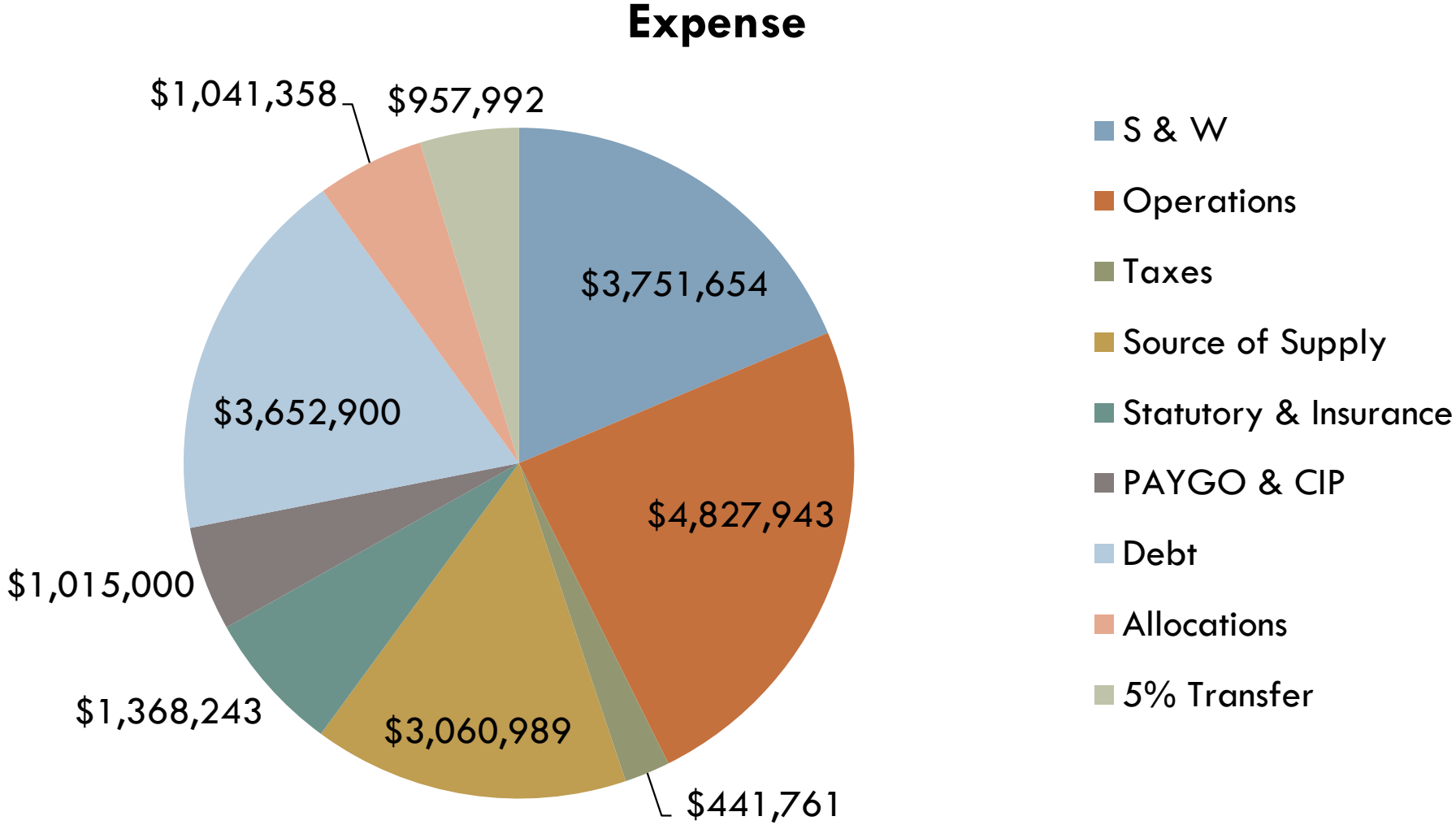
2023 Budget Highlights

- Budget reviewed by rate consultant to verify revenue requirement, expense calculations and rate projections
- For the third year, separated costs attributed to PFAS treatment installation, operations and maintenance. \$3,582,810 or 18% of the total budget is attributed to PFAS debt and operational expense
- Budget increase of 8.6% for:
 - S&W for new personnel
 - Electric or increased pumping
 - Transmission and Distribution for costs associated with lead service line replacements
 - Purchased water for PFAS operational strategy
 - Capital Improvement Fund for statutory down payments

Budget	Operations Budget	PFAS
Salary & Wages (Including Allocations):	\$ 4,292,586	\$ 253,982
Other Expenses (Including Allocations): Pumping, Treatment, Distribution, Source of Supply, Customer Service, Taxes, Insurance & Administration	\$ 7,582,329	\$ 1,932,553
Statutory & Any Deferred Expenses: Pension, Social Security, Unemployment	\$ 430,496	
PAYGO Capital (Cash Capital Improvements) & Capital Improvement Fund	\$ 1,015,000	
Debt Service (Bonds & Notes):	\$ 2,446,282	\$ 1,206,618
Current Fund 5% Transfer to Village Fund	\$ 788,335	\$ 169,658
Total Revenue Requirement:	\$ 20,117,839	

Operating Expense

Operating Budget



2023 Capital Expense

Equipment & Vehicles: **\$ 338,000**

- New Mini Excavator for LSLR & GC-MS Testing Equipment for Lab

Distribution System Improvements at Various Locations: **\$ 5,954,000**

- Watermain replacements 7,150 linear feet and construction of 1,750 linear feet of raw water main

Tank & Reservoir Improvements: **\$ 104,000**

- Valley View mixer installation and tank rehab

Facility Improvements at Various Locations: **\$ 390,000**

- New fencing and security gates, driveway paving, interior and exterior lighting, roofs and security improvements.

PFAS Treatment: **\$ 1,040,000**

- Eastside, Main & Mountain Final Design, Permitting & Administration

Lead Service Line Replacements: **\$ 350,000**

- Funding for engineering design and administration

PAYGO Capital & Capital Improvement Fund **\$ 1,015,000**

- Repairs & Replacements, Small Equipment, Security & Technology

I-BANK Capital: **\$ 70,500,000***

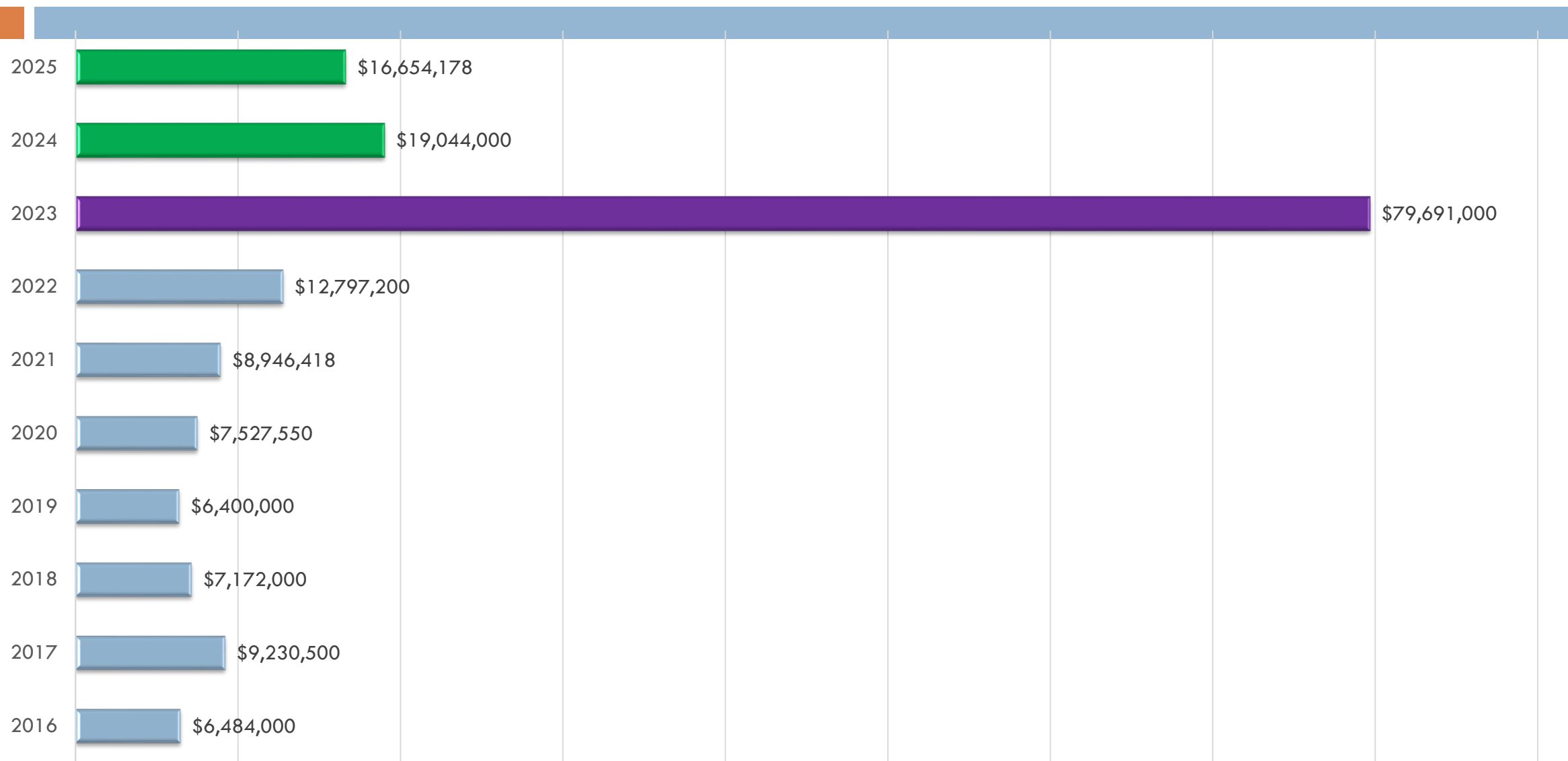
- Ames, Cedar Hill, Wortendyke, Prospect, E. Ridgewood & West End

PFAS Treatment Facility Construction

*\$60,500,000 already approved by Ord. 3934 & 3935

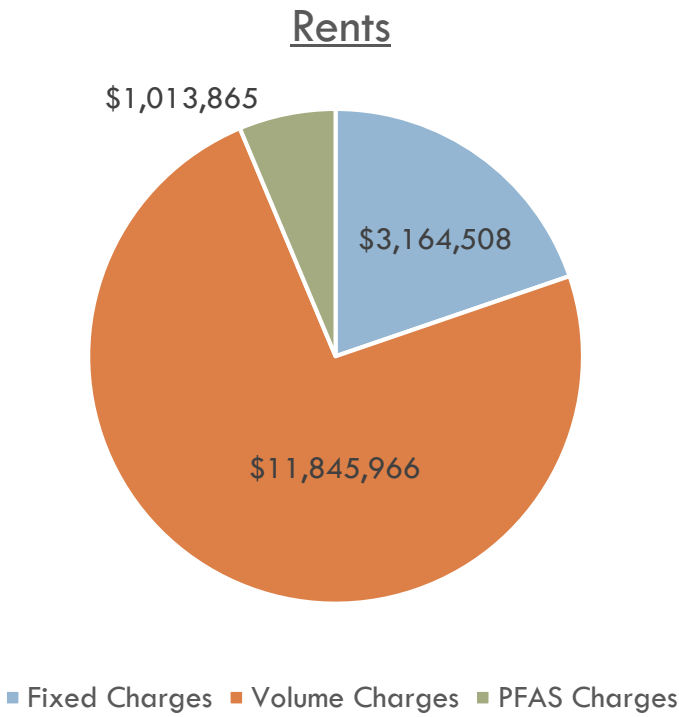
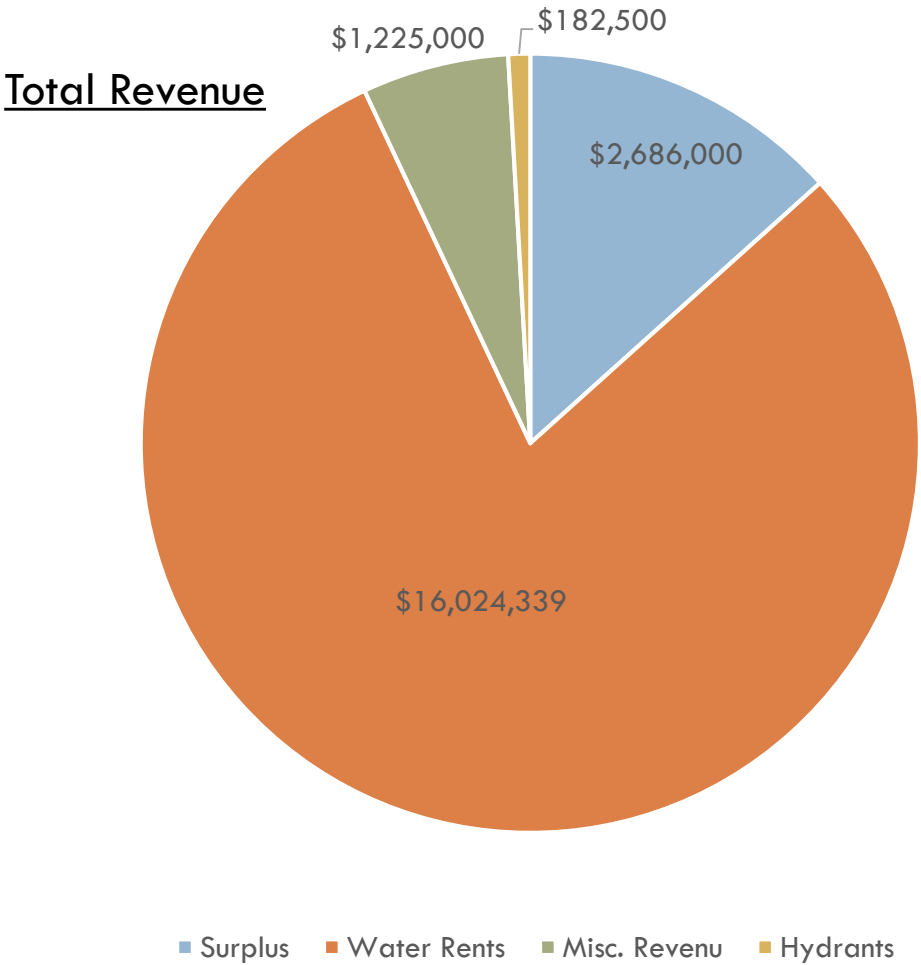
Water Capital

Funding by Year



	2022	2022	2023
	BUDGET	ACTUAL	BUDGET
<u>TITLE</u>	<u>ADOPTED</u>	<u>UNAUDITED</u>	<u>ANTICIPATED</u>
SURPLUS ANTICIPATED	\$ 2,476,103.23	\$ 2,476,103.23	\$ 2,686,000.07
WATER RENTS	\$ 13,750,000.00	\$ 16,290,077.49	\$ 15,507,059.00
HYDRANT SERVICE	\$ 182,266.00	\$ 183,522.27	\$ 182,500.00
<u>MISCELLANEOUS REVENUES</u>			
CELL TOWER RENTS	\$ -		
GENERAL MISCELLANEOUS (CUBES)	\$ -		
GENERAL MISCELLANEOUS (IN-HOUSE)	\$ -		
WATER CAPITAL FUND BALANCE			
TOTAL MISCELLANEOUS	<u>\$ 887,000.00</u>	<u>\$ 1,398,494.60</u>	<u>\$ 1,225,000.00</u>
INCREASE FOR NEW CELL TOWER RENTS	\$ 175,000.00	\$ -	\$ -
INCREASE IN FACILITY CHARGES	\$ -	\$ -	\$ -
INCREASE IN WATER RENT	\$ 563,195.40	\$ -	\$ 179,324.50
INCREASE IN PFAS CHARGES	\$ 495,922.84	\$ -	\$ 337,955.14
TOTAL REVENUES	<u>\$ 18,529,487.47</u>	<u>\$ 20,348,197.59</u>	<u>\$ 20,117,838.71</u>

Anticipated Revenues



- **PFAS Treatment Charges:** To meet the funding demand for filtering PFAS from the drinking water, RW initiated a PFAS Treatment charge in 2021. This fixed amount is charged by meter size to reflect demand that can be placed on the system by the capacity of the meter. This charge is in lieu of raising volume rates higher and will be removed or offset in the future by any grant funds or legal recovery that is made by RW for the PFAS treatment. A total of \$653,981 has been collected through 2022. \$1,013,865 will be collected in 2023.
- **Volume Charges (Variable):** Each year the water utility budget is developed and evaluated against anticipated revenues. Included in this evaluation is the consideration of the funding structure for the utility over the next three years, including anticipated changes in operating expenditures, debt service and maintenance of the minimum surplus balance required to meet the Villages Surplus Policy (Resolution 16-114). Based on this year's budget calculation, a 3% rate increase is proposed. This increase will help sustain the revenue need for 2023.

- **PFAS Treatment Charges**

Meter Size	Charge per Quarter
5/8"	\$14.12
3/4"	\$21.18
1"	\$35.30
1.5"	\$70.60
2"	\$112.96
3"	\$225.92
4"	\$353.00

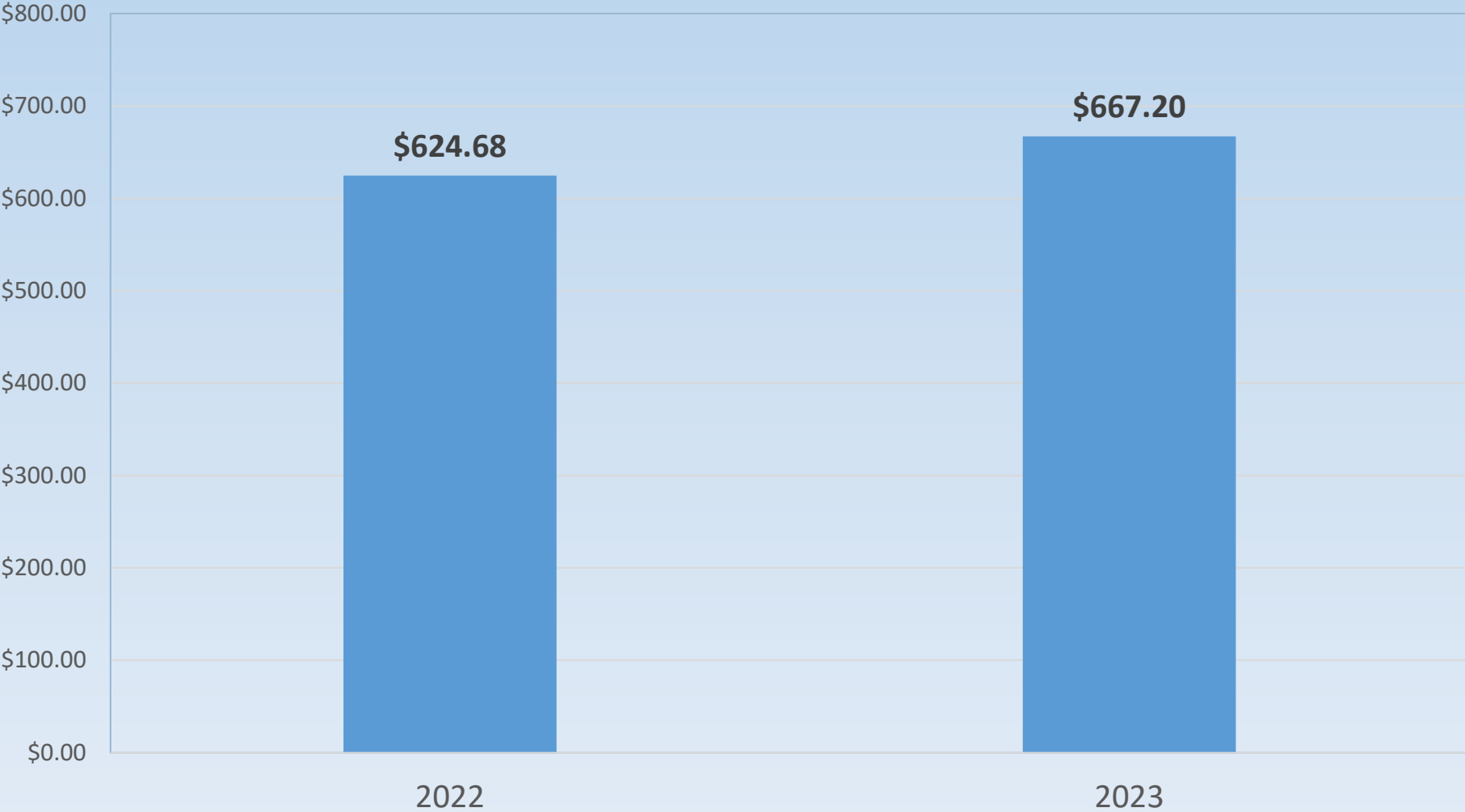
- **Volume Rate per 1000 gallons per calendar quarter**

\$5.69 plus \$0.01 state tax

\$5.70

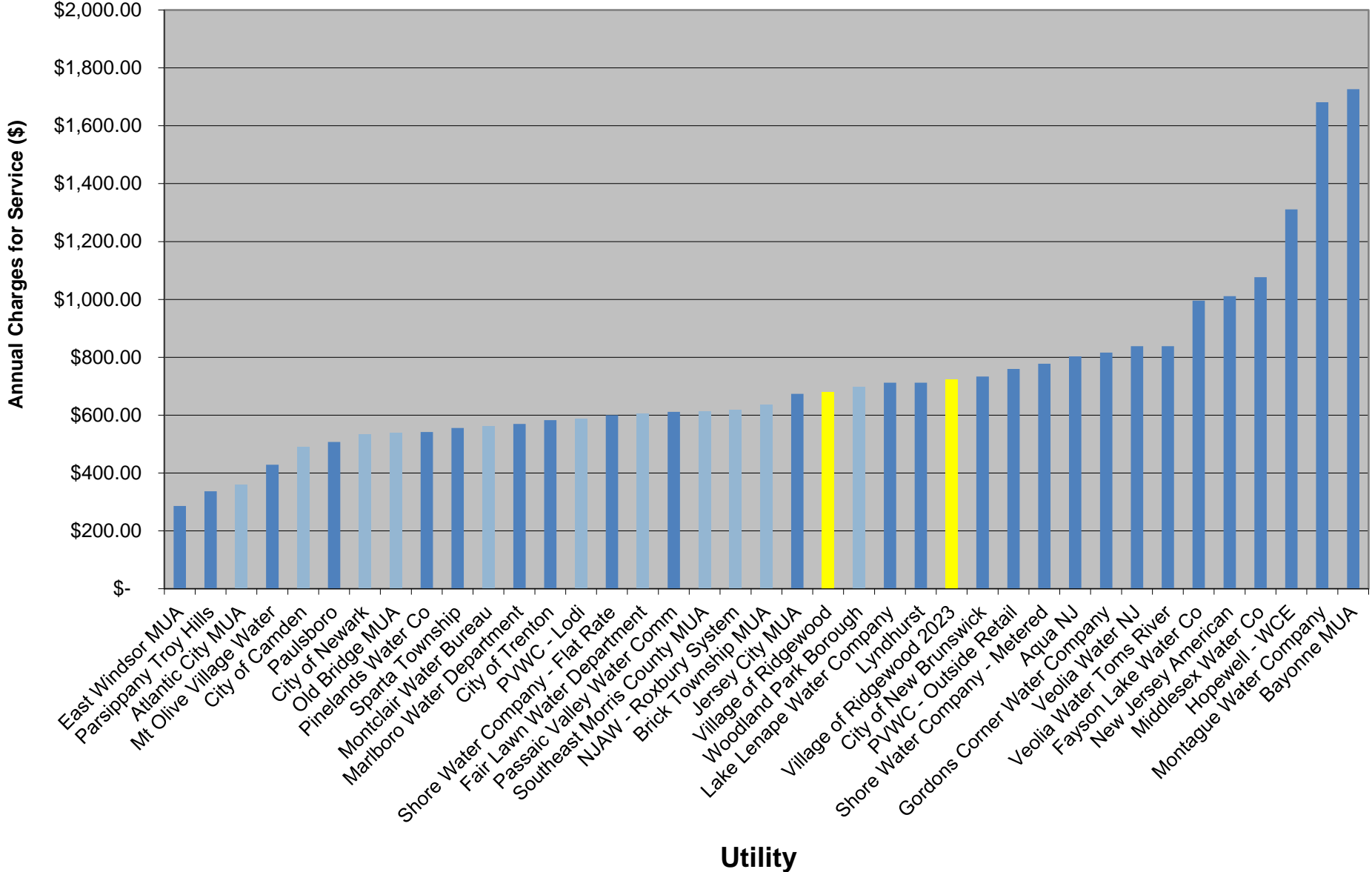
*If approved, the new rate will be applied starting with third quarter bills in 2023.

Annual Residential Water Cost Comparison
(based on usage of 7000 gallons per month)



Annual Charges of Select Water Utilities

Annual Charges Calculated for Average Monthly
Use of 7,820 gallons/month. Current Tariff as of January 1, 2023



Questions?

THANK YOU!

