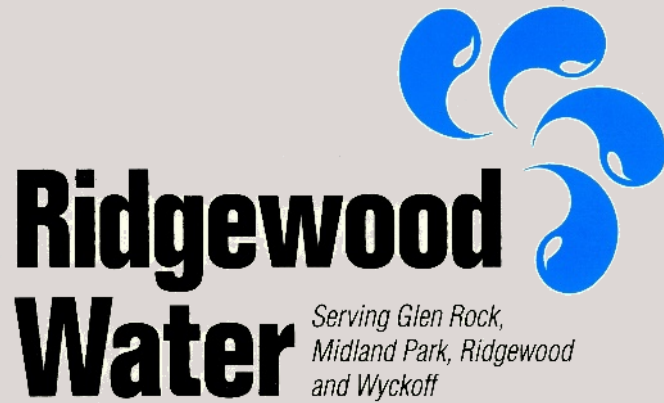




2025 Budget Presentation

Ridgewood Water



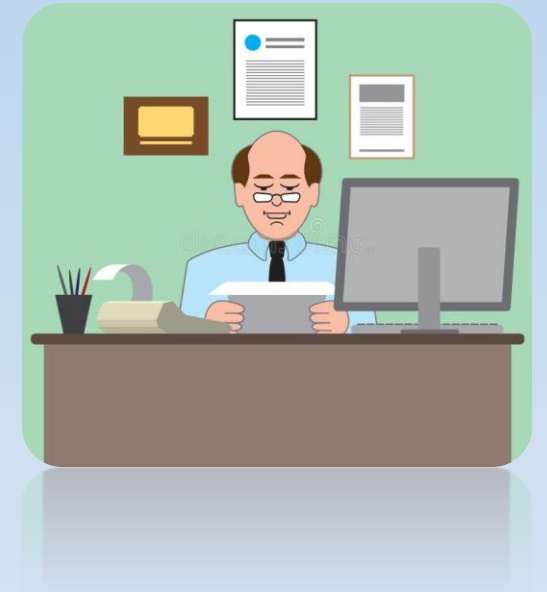
Presented Feb. 3, 2025 &
Revised Thru Feb. 26, 2025

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

2025 Budget Bottom Line

- Ridgewood Water 2025 budget proposal is \$25,123,197
 - Operational Expenses - \$19,214,197
 - Debt Service - \$5,909,000

- Overall Budget increase of 7.5% : \$1,748,019
 - 2% Operational Expense Increase : \$ 462,334
 - 5.5% Debt Service Increase : \$1,285,685



2025 Operations Increase

- Overall Operational Expense Increase - \$462,344

- Factors Contributing to the Increase

• Additional headcount of 2 full time/1 part time employees	\$181,506
• Increase in gas, electric & chemical expenses	\$133,304
• Increase in paving/restoration due to LSL Program	\$125,000
• Increase in public relations and printing costs	\$91,000
• Implementing overdue account collections program	\$53,000
• Rising costs of employee benefit programs	\$255,051
• Bulk Water Purchases: PVWC, Hawthorne, Veolia	\$131,000
• PAYGO Capital	(-\$880,000)
• Laboratory Expenses	(-\$36,000)

Past Due Accounts and The 2025 Collections Campaign (\$53,000 NTE - 1 yr. contract)

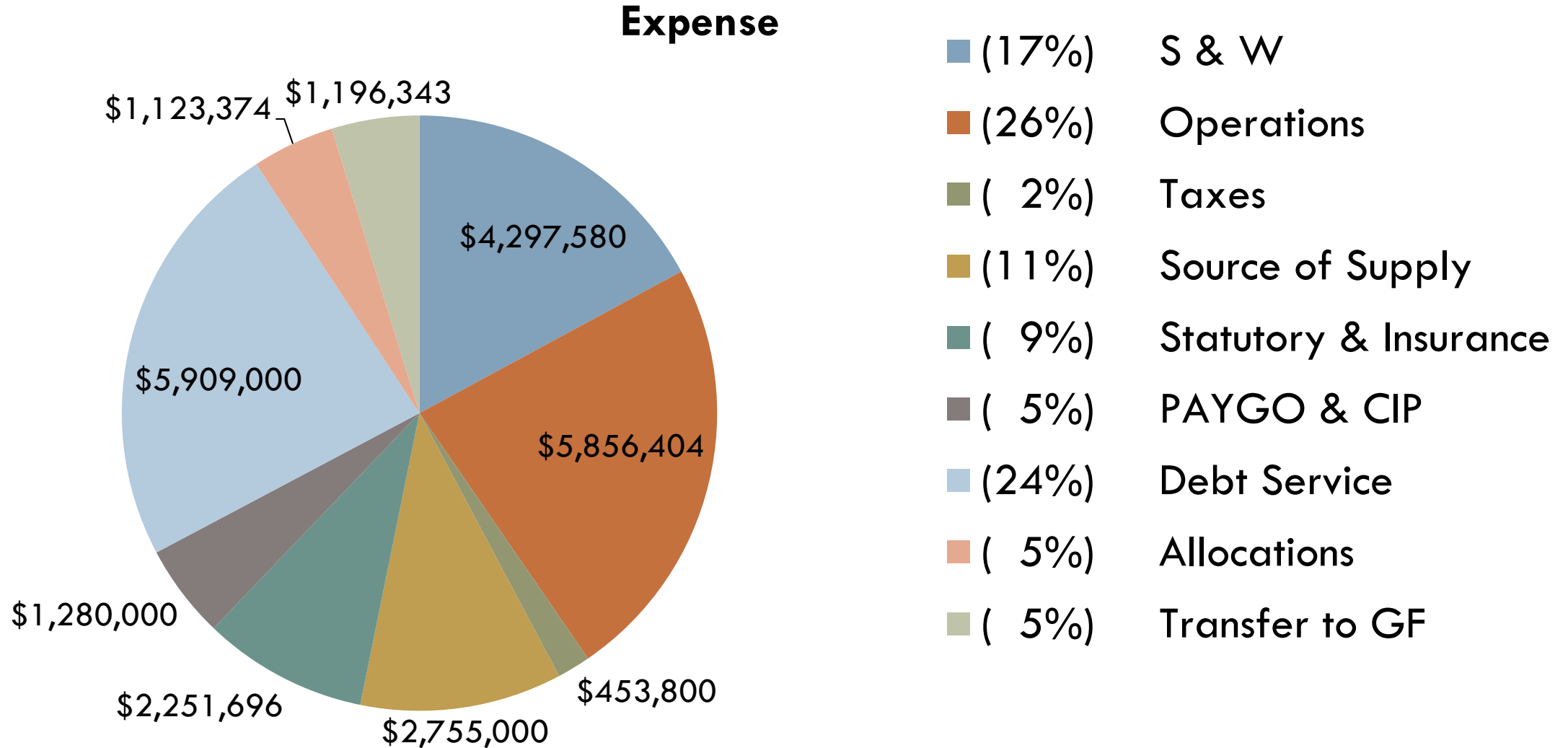
Post-Covid Account Arrears - \$1,760,366

Computil, LLC – Cubes Billing and Collections Software

- 2024 Pilot Study – Proved Very Effective
 - 9 Trial Households
 - All 9 paid in full or entered a deferred payment arrangement

Budget	Operations Budget	PFAS
Salary & Wages (Including Allocations):	\$ 5,147,975	\$ 0
Other Expenses (Including Allocations): Pumping, Treatment, Distribution, Source of Supply, Customer Service, Taxes, Insurance & Administration	\$ 8,992,407	\$ 1,783,940
Statutory & Any Deferred Expenses: Pension, Social Security, Unemployment	\$ 813,532	\$ 0
PAYGO Capital (Cash Capital Improvements) & Capital Improvement Fund	\$ 1,180,000	\$ 100,000
Debt Service (Bonds & Notes):	\$ 3,311,220	\$ 2,597,780
Current Fund 5% Transfer to Village Fund	\$ 972,257	\$ 224,086
Total Revenue Requirement:	\$ 20,417,390	\$ 4,705,806
	Operating Expense	\$ 25,123,197

Operating Budget

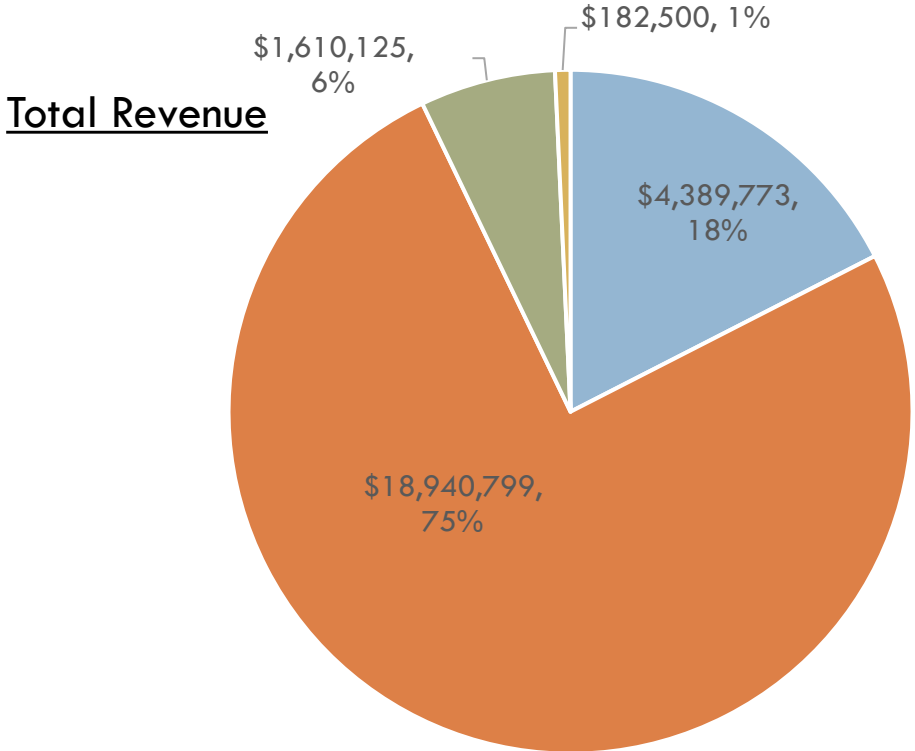


Capital Improvements Budget – \$4,994,000

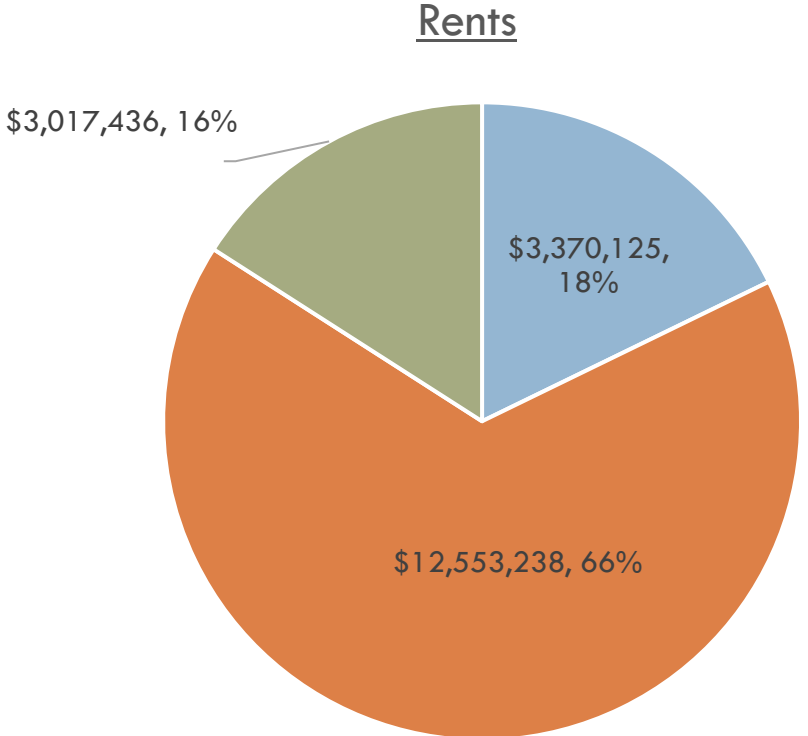
❖ Distribution Main Replacement & Rehabilitation	\$4,482,400
❖ Equipment & Vehicles – Utility Truck, Hybrid SUV	\$124,800
❖ Facility Improvements – Humidity Control/HVAC – RW HQ	\$124,800
❖ Wells and Treatment – Disinfection Upgrades in relation to PFAS Treatment Centralization	\$260,000

	2024	2024	2025
<u>TITLE</u>	<u>BUDGET</u> <u>ADOPTED</u>	<u>ACTUAL</u> <u>UNAUDITED</u>	<u>BUDGET</u> <u>ANTICIPATED</u>
SURPLUS ANTICIPATED	\$ 4,215,859	\$ 4,215,859	\$ 4,389,773
WATER RENTS	\$ 16,726,858	\$ 17,650,167	\$ 17,650,000
HYDRANT SERVICE	\$ 111,563	\$ 253,276	\$ 182,500
<u>MISCELLANEOUS REVENUES</u>			
CELL TOWER RENTS	\$ -		\$ 1,275,125
GENERAL MISCELLANEOUS (CUBES)	\$ -		\$ 225,000
GENERAL MISCELLANEOUS (IN-HOUSE)	\$ -		\$ 110,000
WATER CAPITAL FUND BALANCE			
TOTAL MISCELLANEOUS	<u>\$ 1,376,559</u>	<u>\$ 1,643,611</u>	<u>\$ 1,610,125</u>
INCREASE FOR NEW CELL TOWER RENTS	\$ 257,600	\$ -	\$ -
INCREASE IN FACILITY CHARGES	\$ -	\$ -	\$ 141,112
INCREASE IN WATER RENT	\$ 175,291	\$ -	\$ 546,496
INCREASE IN PFAS CHARGES	\$ 511,448	\$ -	\$ 603,191
TOTAL REVENUES	<u>\$ 23,375,178</u>	<u>\$ 23,762,913</u>	<u>\$ 25,123,197</u>

Anticipated Revenues



- Surplus
- Water Rents
- Misc. Revenue
- Hydrants



- Fixed Charges
- Volume Charges
- PFAS Charges

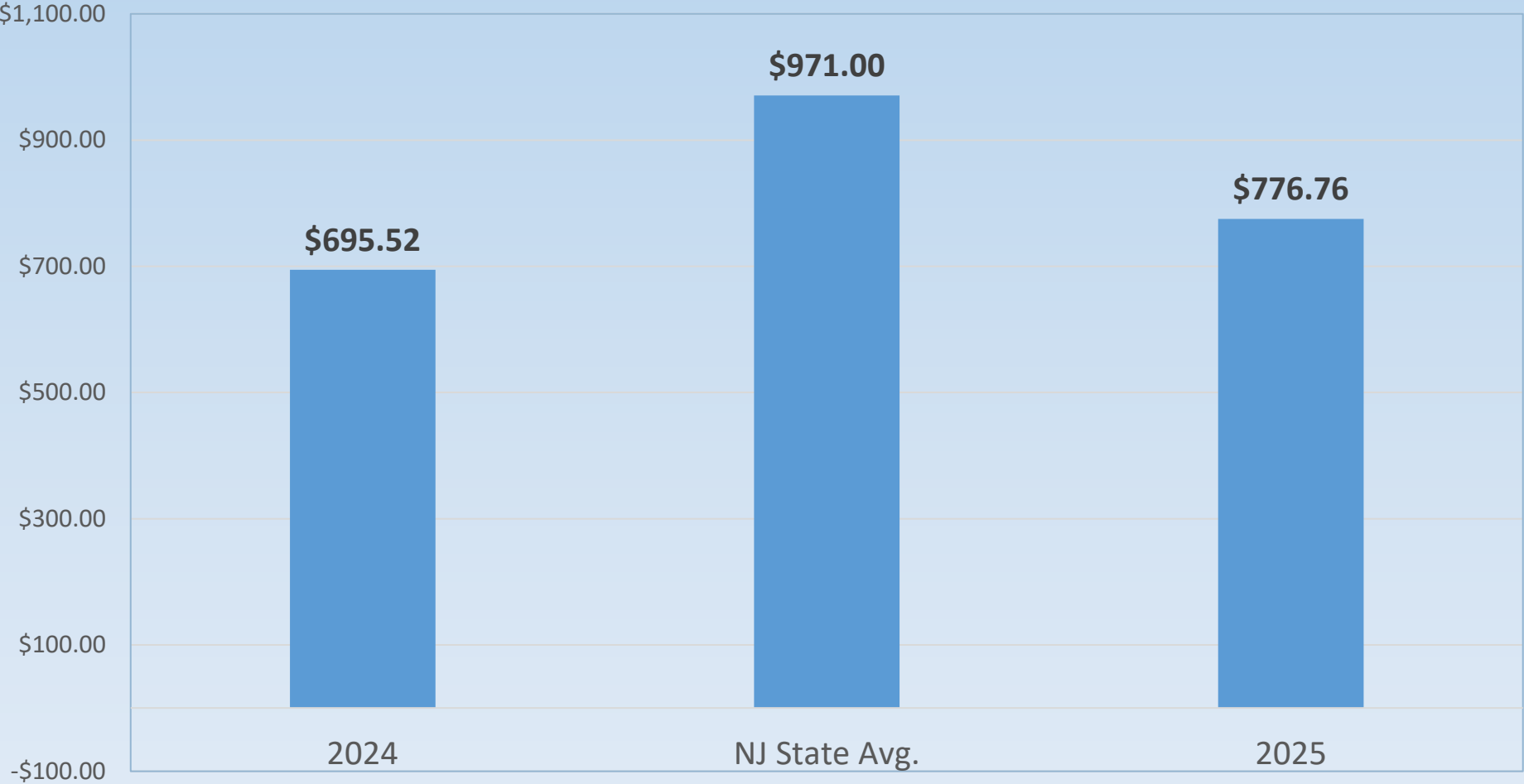
Fixed Rate Applied per Meter Size per Calendar Quarter

Meter Size	Facility Charge	PFAS Surcharge
5/8"	\$35.95	\$37.07
3/4"	\$53.93	\$55.61
1"	\$89.88	\$92.68
1.5"	\$179.75	\$185.35
2"	\$287.60	\$296.56
3"	\$539.25	\$556.05
4"	\$898.75	\$926.75

Volume Rate per 1000 Gallons per Calendar Quarter

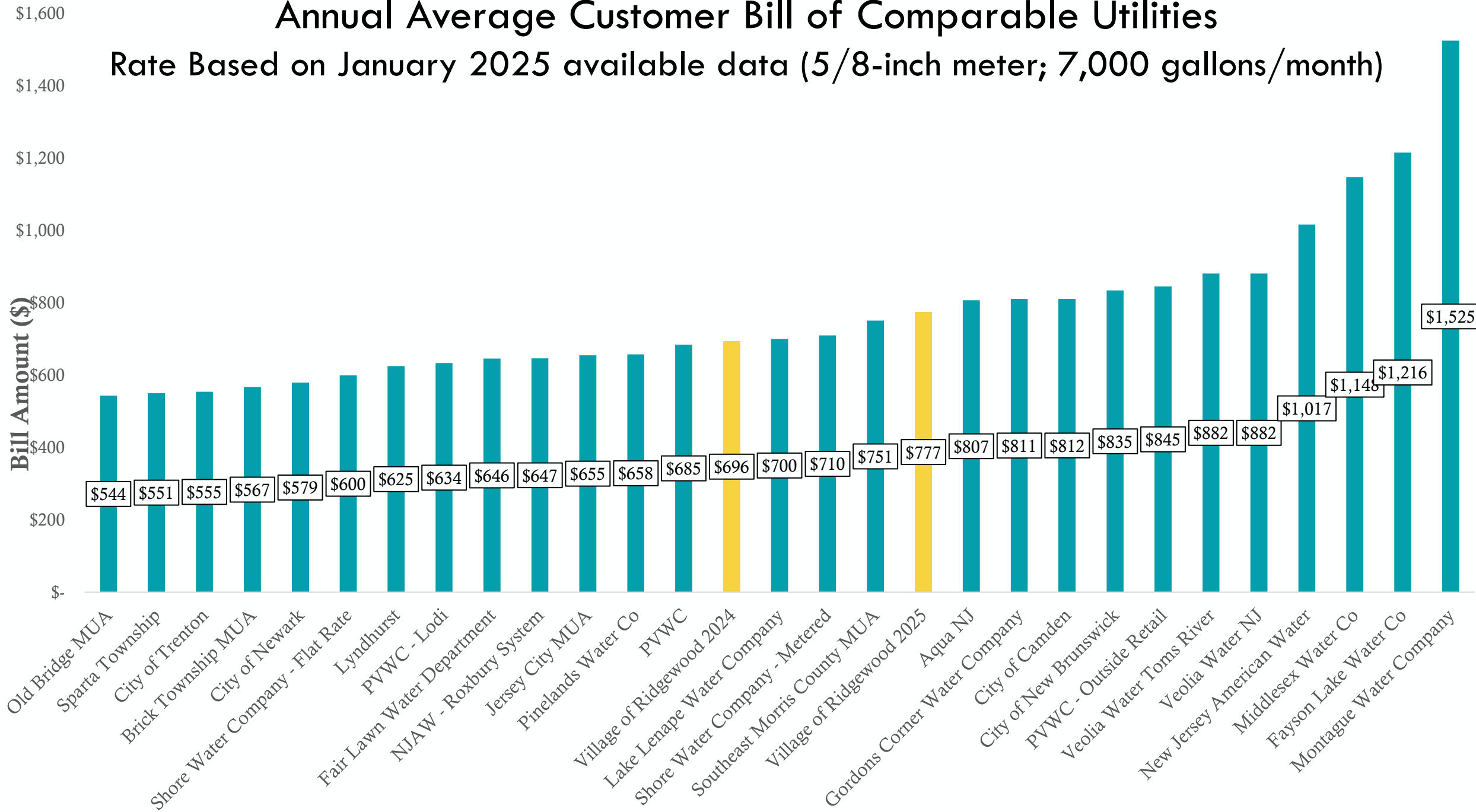
\$6.39 plus \$0.01 state tax = \$6.40

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



Annual Average Customer Bill of Comparable Utilities

Rate Based on January 2025 available data (5/8-inch meter; 7,000 gallons/month)



RW Budget Next Steps

- ❖ Budget Presentation and Rate Review will be published to the Ridgewood Water Website by 2/28/25
- ❖ Discussion of 2025 Rate Proposal – Village Council Work Session on 2/26/25 at 7:30pm
- ❖ Introduction of Budget and Rate Ordinance – Village Council Public Meeting on 3/12/25 at 7:30pm
- ❖ Final Reading and Hearing on Budget and Rate Ordinance – Village Council Public Meeting on 4/9/25 at 7:30pm



2025 Budget Review

- Raftelis Financial Consultants, Inc was commissioned to review and verify the 2025 budget using Howard J. Woods Model for
 - Revenue Requirement
 - Expense Calculations
 - Rate Projections
- The Raftelis Review, completed on 1/30/25 and pending comments from tonight's presentation, will be finalized on 2/19/25 and the Final Summary Memo will be available on the website.

Questions?

THANK YOU!

