

# NEW JERSEY WATER SUPPLY AUTHORITY



RARITAN BASIN SYSTEM

FISCAL YEAR 2016 BUDGET

(July 1, 2015 - June 30, 2016)

Proposed  
June 1, 2015

NEW JERSEY WATER SUPPLY AUTHORITY  
RARITAN BASIN SYSTEM

**PROPOSED**

FISCAL YEAR 2016 BUDGET  
(July 1, 2015 – June 30, 2016)

**TABLE OF CONTENTS**

	<u>PAGE</u>
Proposed Fiscal Year 2016 Budget Summary	1-2
History of Water Charges per MG (FY2003-FY2016) (Table 1)	3
Recap of Allocation of Headquarters G & A Expenses (Schedule 1)	4
Unanticipated Revenue Appropriated for F/Y16 (Schedule 2)	5
Proposed Operating Expense Budget F/Y16 (Schedule 3)	6
Distribution of Operating Expenses by Cost Center (Schedule 3A)	7
Explanation of Proposed Capital Equipment Budget (Schedule 4)	8
Service & Maintenance Contracts Recommended for F/Y16 (Schedule 5)	9-11
Special & Professional Services Recommended for F/Y16 (Schedule 6)	12-14
Projected Insurance Program (Schedule 7)	15
Explanation of Operating Expense Accounts	16-21
Description of Reserve Accounts	22
Auditor Cost Allocation Report F/Y16	Appendix I
Auditor Cost Allocation Report Actual F/Y14	Appendix II

NEW JERSEY WATER SUPPLY AUTHORITY  
RARITAN BASIN SYSTEM

**PROPOSED**

FISCAL YEAR 2016 BUDGET SUMMARY  
(7/1/15-6/30/16)

<u>DESCRIPTION</u>	<u>ADOPTED F/Y15 BUDGET</u>	<u>PROPOSED F/Y16 BUDGET</u>
Proposed Operating Expense Budget (Schedule 3)	\$ 12,823,900	\$ 13,157,000
Proposed Capital Equipment Budget-Note 1 (Schedule 4)	247,300	298,900
Allocation of Headquarters General and Administrative Expenses to the Manasquan Water Supply System (Schedule 1)	<u>(779,000)</u>	<u>(737,000)</u>
Total Operating Expense & Capital Equipment Budgets	\$ <u>12,292,200</u>	\$ <u>12,718,900</u>
Contribution to Debt Service and Reserve Funds:		
Depreciation Reserve	0	0
Pumping Reserve	150,000	150,000
Reserve for Formal Dam Inspection	10,000	10,000
Capital Equipment Reserve	150,000	150,000
Debt Service Fund (NJEIFP Debt)	1,663,223	1,668,200
Capital Fund Component	1,995,867	2,202,290
Source Water Protection Component	<u>1,596,694</u>	<u>1,601,666</u>
Total Contributions to Debt Service and Reserve Funds	\$ <u>5,565,784</u>	\$ <u>5,782,156</u>
Total Proposed Budget	\$ <u>17,857,984</u>	\$ <u>18,501,056</u>
Revenues:		
Operating and Maintenance Component	10,832,660	11,361,450
NJEIFP Debt Service	1,663,223	1,668,200
Capital Fund Component	1,995,867	2,202,290
Source Water Protection Component	1,596,694	1,601,666
Funds to be Appropriated from Rate Stabilization Fund (Schedule 2)	1,673,240	1,571,150

(continued on next page)

NEW JERSEY WATER SUPPLY AUTHORITY  
RARITAN BASIN SYSTEM

**PROPOSED (continued)**

FISCAL YEAR 2016 BUDGET SUMMARY  
(7/1/15-6/30/16)

<u>DESCRIPTION</u>	<u>ADOPTED F/Y15 BUDGET</u>	<u>PROPOSED F/Y16 BUDGET</u>
Other Revenues (cont'd):		
Employee Housing	\$ 56,000	\$ 56,000
Receivable from State of NJ-Future Reservoir Sites	5,000	5,000
F/Y15 interest earnings were estimated at .25 percent, long-term investments were estimated at 1.30 percent.	35,300	0
F/Y16 interest earnings on funds estimated at .25 percent, long-term investments are estimated at 1.30 percent.	<u>0</u>	<u>35,300</u>
Total Revenue	\$ <u>17,857,984</u>	\$ <u>18,501,056</u>

Note 1. This amount is net of withdrawal from Depreciation Reserve.

Table 1

**New Jersey Water Supply Authority**  
**Delaware and Raritan Canal - Spruce Run/Round Valley Reservoirs System**  
**Rate History of**  
**Water Charges per Million Gallons of Raw Water Daily**  
**FY2003-FY2016**

Effective Date	O&M Charge	1981 Bond Charge 7/1/86-10/30/06	1998 Bond Charge 8/1/98-11/1/13	NJEIFP Component 8/1/13-8/1/23	Capital Fund Component	Source Water Protection Component	Total Charge per MG	Percent Increase -Decrease
July 1, 2002	105.46	31.73	49.28		13.53	5.00	\$205.00	0.00%
July 1, 2003	111.68	31.62	49.15		7.55	10.00	\$210.00	2.44%
July 1, 2004	122.75	28.31	41.71		12.23	10.00	\$215.00	2.38%
July 1, 2005	111.80	28.24	41.51		20.45	13.00	\$215.00	0.00%
July 1, 2006	133.13	19.55	41.32		21.00	13.00	\$228.00	6.05%
July 1, 2007	138.71		41.29		33.00	15.00	\$228.00	0.00%
July 1, 2008	142.34		40.66		33.00	15.00	\$231.00	1.32%
July 1, 2009	142.39		40.61		33.00	15.00	\$231.00	0.00%
July 1, 2010	142.55		40.45		33.00	15.00	\$231.00	0.00%
July 1, 2011	145.66		40.34		30.00	15.00	\$231.00	0.00%
July 1, 2012	145.84		40.16		30.00	15.00	\$231.00	0.00%
July 1, 2013	152.00		0.00	25.00	30.00	24.00	\$231.00	0.00%
July 1, 2014	167.00		0.00	25.00	30.00	24.00	\$246.00	6.49%
July 1, 2015	171.00		0.00	25.00	33.00	24.00	\$253.00	2.85%

NEW JERSEY WATER SUPPLY AUTHORITY  
**RECAP OF ALLOCATION OF HEADQUARTERS  
GENERAL AND ADMINISTRATIVE EXPENSES CHARGED  
TO MANASQUAN WATER SUPPLY SYSTEM**

FOR FISCAL YEAR 2016  
(7/1/15-6/30/16)

	<u>TOTAL HEADQUARTERS CHARGE</u>	<u>MANASQUAN RESERVOIR SYSTEM</u>	<u>MANASQUAN WTP/TS</u>
Budgeted – Appendix I, Page 6, amount to be charged to Manasquan System for F/Y16 (7/1/15-6/30/16)	\$ 794,353	\$ 689,400	\$ 104,953
F/Y14 Adjustment as per audited Expenditures:			
Budgeted as per rate schedule for F/Y14 (7/1/13-6/30/14). Amounts paid during F/Y14 to Raritan Basin System	776,545	673,945	102,600
Actual allocation based upon audited expenditures F/Y14 (7/1/13-6/30/14) Appendix II, Page 5	<u>719,387</u>	<u>624,339</u>	<u>95,048</u>
Adjustment F/Y14	\$ <u>(57,158)</u>	\$ <u>(49,606)</u>	\$ <u>(7,552)</u>
Net Allocation for F/Y16 Budget	\$ <u>737,195</u>	\$ <u>639,794</u>	\$ <u>97,401</u>
<b>PROPOSED</b>	<u>\$ 737,000</u>	<u>\$ 640,000</u>	<u>\$ 97,000</u>

NEW JERSEY WATER SUPPLY AUTHORITY  
RARITAN BASIN SYSTEM

UNANTICIPATED REVENUE

FUNDS TO BE APPROPRIATED INTO THE RATE STABILIZATION FUND FOR FISCAL YEAR 2016

		<u>AMOUNT</u>
F/Y2014 Net Year-End Balance	\$	0
<u>OVERDRAFTS</u>	<u>INVOICE NO.</u>	<u>RECEIVED</u>
		<u>AMOUNT</u>
Roxiticus Golf Club	784	04/18/14
		74.62
Washington Twp. MUA	785	09/18/14
	785	09/18/14
		26.50
		<u>7.79</u>
	TOTAL	\$ 108.91
	Amount used in	FY2015 \$ 0
	NET	\$ 108.91
 <u>Overdrafts Not Billed, Accrued through August 31, 2014</u>		
East Windsor MUA, Hunterdon County Golf, Somerset County Park		\$ 1,048.30
 <u>Other Sources of Funds</u>		
Dredging Deferral		\$1,570,000.00
	<b>GRAND TOTAL</b>	<b><u>\$1,571,157.21</u></b>
	<b>FY16 Budget</b>	<b><u>\$1,571,150.00</u></b>

NEW JERSEY WATER SUPPLY AUTHORITY  
RARITAN BASIN SYSTEM  
**PROPOSED OPERATING EXPENSE BUDGET FOR FISCAL YEAR 2016  
AND EXPENDITURES THROUGH 3/31/15 FOR FISCAL YEAR 2015**

CODE	ACCOUNT	Adopted Budget FY15	Proposed Budget FY16	Expenditures Thru 3/31/15
5110	Regular Salaries & Wages	\$5,623,200	\$5,698,700	\$3,830,205
5120	Overtime-Salaries & Wages	191,400	190,600	145,787
5150	Fringe Benefits	2,900,400	3,083,700	1,922,146
5167	Retiree Health Benefits	808,300	808,300	584,814
5168	Workers Comp (Self-Insured)	10,000	10,000	4,797
	Total Salary & Fringe Benefits	\$9,533,300	\$9,791,300	\$6,487,749
5200	On-Site Residences	80,000	41,600	57,857
5211	Heating Fuel	108,900	106,400	61,589
5220	Utilities -Electrical Service	112,500	112,500	99,039
5230	" -Gas Service & Water	4,600	4,700	3,503
5240	" -Propane	200	200	271
5250	Electricity for Pumping	85,800	90,000	53,110
5260	Vehicular Fuel	177,600	157,800	106,934
5270	Oil & Grease	6,600	6,600	3,732
5280	Tires	18,000	26,000	22,384
5290	Maintenance Supplies	205,200	213,300	107,038
5300	Maint. Supplles - Vehicular Equipment	39,000	39,000	36,135
5310	Major Special Vehicle Service & Repair	85,000	85,000	63,565
5320	Agricultural Supplies	5,500	5,000	2,096
5330	Maintenance of Equipment	34,600	37,800	15,939
5340	Service & Maintenance Contracts	177,800	181,200	143,572
5350	Equipment Rental	45,100	39,900	23,500
5360	Household-Safety & Protective Supplies	33,100	33,200	16,682
5370	Uniforms	6,300	6,300	4,217
5380	Special & Professional Services	492,400	477,600	257,400
5390	Protective Services	1,186,600	1,307,800	888,958
5400	Telephone	72,400	72,400	59,299
5410	Postage & Freight	13,100	11,100	5,015
5420	Data Processing	44,500	44,500	30,019
5430	Printing & Office Supplies	54,500	57,700	34,299
5440	Scientific & Photographic	700	500	995
5450	Dues & Subscriptions	39,400	39,100	31,426
5460	Advertising	3,500	11,000	3,388
5470	Travel & Subsistence	6,700	6,500	1,284
5480	Staff Training & Tuition Aid	16,300	18,800	5,153
5490	Fees & Permits	116,000	113,500	102,072
5500	In-Lieu Taxes	18,700	18,700	18,689
	TOTAL OTHER EXPENSES	\$3,290,600	\$3,365,700	\$2,259,161
	<b>TOTALS</b>	<b>\$12,823,900</b>	<b>\$13,157,000</b>	<b>\$8,746,910</b>



NEW JERSEY WATER SUPPLY AUTHORITY  
RARITAN BASIN SYSTEM  
COMPARATIVE STATEMENT FY2016

SCHEDULE 1A

CODE	ACCOUNT	FY'12 ACTUAL	FY'13 ACTUAL	FY'14 ACTUAL	FY'15 ADOPTED	FY'16 PROPOSED
5110	Regular Salaries & Wages	\$5,346,361	\$5,214,020	\$5,227,901	\$5,623,200	\$5,698,700
5120	Overtime-Salaries & Wages	\$272,296	\$211,797	\$186,907	\$191,400	\$190,600
5130	New positions-Salaries & Wages	\$0	\$0	\$0	\$0	\$0
5162	Retiree Unused Sick & Vacation	\$0	\$0	\$41,044	\$0	\$0
5150	Fringe Benefits	\$2,464,386	\$2,634,592	\$2,549,057	\$2,900,400	\$3,083,700
5167	Retiree Health Benefits	\$498,080	\$619,662	\$711,226	\$808,300	\$808,300
5168	Workers Comp. (Self Insured)	\$1,253	\$3,679	\$4,384	\$10,000	\$10,000
	Total Salary & Fringe	\$8,582,375	\$8,683,750	\$8,720,519	\$9,533,300	\$9,791,300
	Budget Salary & Fringe	\$9,486,700	\$8,982,600	\$9,700,250		
5200	Residences	\$83,798	\$80,172	\$85,031	\$80,000	\$41,600
5211	Heating Fuel	\$69,128	\$112,576	\$99,709	\$108,900	\$106,400
5220	Utilities -Electrical Service	\$102,110	\$104,123	\$106,609	\$112,500	\$112,500
5230	-Gas Service	\$4,396	\$4,258	\$4,980	\$4,600	\$4,700
5240	-Propane	\$72	\$102	\$520	\$200	\$200
5250	Electricity for Pumping Station	\$89,664	\$75,400	\$77,401	\$85,800	\$90,000
5260	Fuel - Vehicular	\$195,155	\$163,547	\$144,641	\$177,600	\$157,800
5270	Oil & Grease	\$10,661	\$2,829	\$5,222	\$6,600	\$6,600
5280	Tires	\$30,894	\$14,855	\$31,557	\$18,000	\$26,000
5290	Maintenance Supplies	\$189,565	\$165,264	\$161,555	\$205,200	\$213,300
5300	Maint. Supplies - Vehicular	\$46,075	\$38,258	\$51,614	\$39,000	\$39,000
5310	Major Vehicle Service & Repair	\$81,130	\$100,424	\$102,034	\$85,000	\$85,000
5320	Agricultural Supplies	\$22,996	\$1,328	\$653	\$5,500	\$5,000
5330	Maintenance Equipment	\$39,122	\$14,574	\$35,808	\$34,600	\$37,800
5340	Serv. & Maintenance Contracts	\$159,703	\$179,019	\$167,202	\$177,800	\$181,200
5350	Equipment Rental	\$79,487	\$139,944	\$60,514	\$45,100	\$39,900
5360	Household - Safety Supplies	\$32,307	\$24,137	\$26,771	\$33,100	\$33,200
5370	Uniforms	\$4,385	\$5,706	\$3,266	\$6,300	\$6,300
5380	Special & Professional Services	\$487,961	\$467,728	\$411,176	\$492,400	\$477,600
5390	Protective Services	\$989,403	\$1,047,791	\$1,133,656	\$1,186,600	\$1,307,800
5400	Telephone	\$71,109	\$70,944	\$73,113	\$72,400	\$72,400
5410	Postage & Freight Out	\$13,736	\$9,808	\$3,464	\$13,100	\$11,100
5420	Data Processing	\$48,427	\$42,660	\$36,203	\$44,500	\$44,500
5430	Printing & Office Supplies	\$41,377	\$78,749	\$56,904	\$54,500	\$57,700
5440	Scientific & Photographic	\$228	\$43	\$0	\$700	\$500
5450	Dues & Subscriptions	\$33,674	\$34,603	\$33,520	\$39,400	\$39,100
5460	Advertising & Promotional	\$2,308	\$3,269	\$5,925	\$3,500	\$11,000
5470	Travel & Subsistence	\$3,290	\$2,035	\$2,939	\$6,700	\$6,500
5480	Staff Training & Tuition Aid	\$14,749	\$13,561	\$11,220	\$16,300	\$18,800
5490	Fees & Permits	\$112,586	\$113,468	\$114,616	\$116,000	\$113,500
5500	In - Lieu Taxes	\$18,689	\$18,689	\$18,689	\$18,700	\$18,700
	Total Other Expenses	\$3,078,187	\$3,119,864	\$3,066,512	\$3,290,600	\$3,365,700
	Total Operating Expenses	\$11,660,562	\$11,803,614	\$11,787,031	\$12,823,900	\$13,157,000
	Annual increase (Decrease)	2.58%	1.23%	-0.14%	8.80%	2.60%
	Budget -other expenses	3,104,200	3,090,900	3,077,600	3,290,600	
	ANNUAL BUDGET	\$12,590,900	\$12,073,400	\$12,777,850	\$12,823,900	

NEW JERSEY WATER SUPPLY AUTHORITY  
 RARITAN BASIN SYSTEM  
PROPOSED CAPITAL EQUIPMENT BUDGET  
 FISCAL YEAR 2016

	Description	(R) Replacement (A) Addition	Year of Purchase	Dollar Value	Depreciation Reserve
INFORMATION SYSTEMS	(1) DELL SERVER - WATERSHED	(R) EQP2146	2010	5,000	2,461
	(2) VIDEO COMPUTER SYSTEMS SECURITY	(R) EQP2087, 2112	2008, 2009	6,000	7,449
	(1) PLOTTER	(R) EQP2012	2006	4,200	5,735
FACILITIES	(1) MAGNETIC DRILL PRESS AND BITS	(A)		3,200	
	(1) POWER EXHAUST FAN - BOILERS ADMIN BLDG	(A)		4,000	
	(1) SNOWBLOWER SBPS	(A)		3,500	
	(1) GENERATOR CARPENTERS	(A)		2,500	
	(1) GUARDRAIL TENSIONER	(A)		6,000	
	(1) POWER TAKE-OFF	(R)	1964	14,000	
	(1) PRESSURE WASHER	(R) EQP1469	1994	2,200	1,116
GROUNDS	(1) NJWA-31 UTILITY 4WD W/PLOW	(R) TRN1851	2002	39,000	22,299
	(1) NJWA-34 UTILITY 4WD W/PLOW	(R) TRN1872	2003	39,000	21,574
	(1) BACKHOE 4WD	(R) TRN1706	1999	95,000	65,945
	(1) PONTON BOAT W/TRAILER AND MOTOR	(R) EQP538	1977	32,000	3,081
	(1) FIELD TRACTOR CX-70	(R) TRN1776	2000	45,000	34,496
	(1) FIELD TRACTOR CX-75	(R) TRN1988	2005	45,000	29,034
	(1) FORK TRUCK	(R) EQP853	1988	34,000	7,300
CANAL	(1) NJWA-33 PICKUP TRUCK	(R) TRN2148	2010	30,000	17,087
	(1) NJWA-45 PICKUP TRUCK	(R) TRN2147	2010	30,000	17,087
	(1) TRACTOR & BOMFORD MOWER COMBINATION	(R) TRN1826/EQP1862	2001/2002	80,000	9,600
	(1) ALAMO FLAIL AXE MOWER HEAD	(A)		18,000	
AUTO SHOP	(1) MODIS- DIAGNOSTIC	(R) EQP1511	1995	4,000	1,496
AUTO SHOP - CANAL	(1) 10 TON FLOOR JACK	(R) EQP1287	1992	3,000	1,952
	(1) 5 TON FLOOR JACK	(R) EQP1285	under 1,000	2,000	0

	TOTAL COST	\$546,600	\$247,712
LESS AMOUNT CHARGED TO DEPRECIATION RESERVE		(247,712)	
	NET TOTAL	\$298,888	
LESS AMOUNT CHARGED TO CAPITAL EQUIPMENT RESERVE		\$0	
	TOTAL	\$298,888	
	AMOUNT FUNDED FOR FY2016	\$298,900	

mo:caopop.dvw  
 11-May-15

NEW JERSEY WATER SUPPLY AUTHORITY  
 RARITAN BASIN SYSTEM  
**List of Category 5340 Items**  
**Recommended Service & Maintenance Contracts**  
 FISCAL YEAR 2016

	ADOPTED <u>F/Y15</u>	PROPOSED <u>F/Y16</u>
1. Postage/Fax/Misc Machines (Dept 16).....	\$ 1,000	\$ 1,000
2. HIS-Safety Software (Dept 17).....	1,700	1,700
3. GO DADDY.COM-Remote Access Certificates (Dept 17).....	300	300
4. WMWARE (Dept 17).....	900	500
5. Sage MAS200 (Dept 17).....	1,600	1,600
6. Western Technologies NJ Parcel Maps (Dept 17).....	1,300	1,300
7. Sage Fixed Asset (Dept 17).....	2,500	2,500
8. PV & Associates-Winslamm (Dept 17).....	500	500
9. People Trak Support Technical Difference (Dept 17).....	800	800
10. COMCAST - Cable Internet (Dept 17).....	1,000	4,200
11. OSHA Software (GAO)(Dept 17).....	100	100
12. Pure Host Web Hosting Administration (Dept 17).....	200	200
13. Pure Host Web Hosting Watershed (Dept 17).....	250	250
14. Symantec Anti-Virus Maintenance-Clinton (Dept 17).....	2,400	2,400
15. Sonic Wall Software (Dept 17).....	1,500	1,500
16. ESRI ArcView Maintenance-Watershed (Dept 17).....	5,400	5,400
17. CU Riverware Maintenance Agreement (Dept 17).....	3,400	3,400
18. McAfee Antispam(Dept 17).....	1,500	1,500
19. River Morph (Dept 17).....	800	800
20. DLT Solutions Autocad (Dept 17).....	1,000	1,000
21. Fastrax SBPS Monitoring Software (Dept17).....	900	900
22. ESRI Archview Maintenance-Clinton (Dept 17).....	500	500
23. Keystone Precision-GPS Software Maint (Dept 17).....	800	800

(continued on next page)

NEW JERSEY WATER SUPPLY AUTHORITY  
RARITAN BASIN SYSTEM  
List of Category 5340 Items  
Recommended Service & Maintenance Contracts  
FISCAL YEAR 2016

	ADOPTED <u>F/Y15</u>	PROPOSED <u>F/Y16</u>
24. HAAS Systems-Security Alarm Software Maint (Dept 17) .....	\$ 400	\$ 400
25. Clients First-Vipre Antivirus/Antispam (Dept 17) .....	250	250
26. Cleaning Services (Dept 20) .....	1,200	1,800
27. Echwood Carpet Cleaning (Dept 20).....	1,500	1,500
28. Yahoo for River Friendly (Dept 20) .....	100	100
29. Refuse Collection (Dept 31) .....	11,900	11,900
30. Janitorial Service (Dept 31) .....	15,500	15,500
31. HVAC Service (Dept 31).....	5,500	5,500
32. Electrician & Plumber Services (Dept 31).....	5,000	5,000
33. Instrumentation Services (Dept 31) .....	4,500	4,500
34. Entry Rugs (Dept 31).....	2,700	2,700
35. Carpet Cleaning (Dept 31).....	2,300	2,300
36. Generator Service-Administration Building (Dept 31).....	1,200	1,200
37. Underground Plant Location Service Notifications (Dept 31).....	1,000	1,000
38. Crane Service and Inspection (Dept 31) .....	1,200	1,200
39. Elevator Service-SBPS (Dept 31).....	2,800	2,800
40. Electrical Service-SBPS (Dept 31).....	6,400	6,400
41. Floor Cleaning Maintenance-Office (Dept 32).....	2,400	2,400
42. Janitorial Service (Dept 32) .....	7,300	7,300
43. Dumpster Service Canal Office (Dept 32).....	3,000	3,000
44. Dumpster Service Route 1 (Dept 32).....	28,000	28,000
45. Dumpster Service-Extra (Dept 32) .....	2,000	2,000

(continued on next page)

NEW JERSEY WATER SUPPLY AUTHORITY  
 RARITAN BASIN SYSTEM  
**List of Category 5340 Items**  
**Recommended Service & Maintenance Contracts**  
 FISCAL YEAR 2016

		ADOPTED F/Y15	PROPOSED F/Y16
46.	Instrumentation Testing (Dept 32) .....	\$ 1,000	\$ 1,000
47.	Floor Mats (Dept 32) .....	1,000	1,000
48.	Grass Mowing Service (Dept 32) .....	5,000	5,000
49.	Boiler Service (Dept 32).....	300	300
50.	Wood Disposal Fees (Dept 32).....	3,100	3,100
51.	Generator Service-Scudders & Perdicaris (Dept 32).....	3,000	3,000
52.	Vac Truck Service-IFW, 10 mile PS (Dept 32).....	3,900	3,900
53.	Floor Mats (Dept 33) .....	2,300	2,300
54.	Carpet Cleaning (Dept 33).....	3,100	3,100
55.	Welco Gas (Dept 33) .....	600	600
56.	Parts Washer & Hazardous Removal (Dept 34).....	1,000	1,000
57.	Fire Extinguisher Maintenance (Dept 36) .....	6,000	6,000
58.	Hazardous Waste Control (Dept 36) .....	1,500	1,500
59.	Fire Alarm Testing (Dept 36) .....	8,000	8,000
60.	Vehicle Lifts Annual Testing (Dept 36).....	<u>1,500</u>	<u>1,500</u>
	TOTAL .....	\$ <u>177,800</u>	\$ <u>181,200</u>





NEW JERSEY WATER SUPPLY AUTHORITY  
 RARITAN BASIN SYSTEM  
**List of Category 5380 Items**  
**Recommended Professional Services**  
 FISCAL YEAR 2016

	ADOPTED <u>F/Y15</u>	PROPOSED <u>F/Y16</u>
30. Services-USGS Spruce Run Gauging		
Maintenance of two stations on streams feeding Spruce Run not covered under State Cooperative Agreement (Dept 31).....	\$ 18,600	\$ 17,000
31. Water Testing		
Water Testing and Sampling to comply with the Safe Water Drinking Act (Dept 31).....	2,400	2,400
32. Services-Water Sampling and Testing as per NJDWR Requirements		
A) Rt 202 Stockpile Site (Dept 32).....	5,000	5,000
33. Maintenance of USGS Gauges at Washington Crossing and Perdicaris Waste Gate (Dept 32).....	12,000	13,500
34. Safety Suggestion Program, Poster and Promotional Materials, Safety Incentive Program (Dept 36).....	9,700	9,700
35. Pulmonary Testing and Physicals (Dept 36).....	5,000	5,000
36. Annual Contributions to Fire Companies and Rescue Squads (Dept 36).....	1,300	1,300
37. Hepatitis Vaccinations (Dept 36).....	800	800
38. Calibration for the Pota-Count Respirator (Dept 36).....	<u>700</u>	<u>700</u>
TOTAL.....	\$ <u>492,400</u>	\$ <u>477,600</u>



**PROJECTED FY 2016 NEW JERSEY WATER SUPPLY AUTHORITY INSURANCE PROGRAM**

<u>Type of Coverage</u>	<u>Raritan Basin System</u>	<u>Manasquan Reservoir System</u>	<u>Manasquan Water Treatment Plant and Transmission System</u>	<u>Total Premium</u>
<b>Property</b> Limit \$150 million Deduct: \$100k all perils \$250k, dams, dikes, canal/\$1m flood	\$637,822	\$214,417	\$52,473	\$904,712
<b>General/Products Liability</b> Limit \$1 million Deduct: \$150k	\$100,650	\$9,410	\$1,954	\$112,014
<b>Environmental Impairment Liability</b> Limit \$10 million Deduct: \$100k	\$21,457	\$2,006	\$417	\$23,880
<b>Workers' Compensation</b> Limit \$1 million	\$206,961	\$26,606	\$27,877	\$261,444
<b>Employer Liability</b> Limit \$1 million	Included in Workers' Comp	Included in Workers' Comp	Included in Workers' Comp	Included in Workers' Comp
<b>Umbrella Liability</b> Limit \$23 million	\$275,135	\$25,723	\$5,341	\$306,199
<b>Business Automobile</b> Limit: \$1 million G/L, \$0 pd Deduct: \$50k, G/L	\$11,205	\$1,989	\$455	\$13,649
<b>Public Officials Liability</b> Limit \$5 million/\$1million crime Deduct: \$100k/\$50k c. crime	\$53,716	\$5,022	\$4,691	\$63,429
<b>Travel Accident</b> Limit \$2 million	<u>\$854</u>	<u>\$80</u>	<u>\$17</u>	<u>\$951</u>
<b>TOTAL:</b>	<u>\$1,307,800</u>	<u>\$285,253</u>	<u>\$93,225</u>	<u>\$1,686,278</u>
<b>ESTIMATE</b>	<b>\$1,307,800</b>	<b>\$285,300</b>	<b>\$93,200</b>	<b>\$1,686,300</b>

JERSEY WATER SUPPLY AUTHORITY  
RARITAN BASIN SYSTEM

DEFINITIONS AND EXPLANATION OF THE FISCAL YEAR 2016 OPERATING EXPENSE ACCOUNTS

ACCOUNT  
CODE

TITLE

5110 SALARIES AND WAGES

5120- OVERTIME  
5140

5150- FRINGE BENEFITS  
5168

These expense items cover the annual salaries and fringe benefits based upon the compensation schedule currently in effect.

The fringe benefit accounts specifically cover all required and approved expenses such as employer contributions for social security, public employee retirement system, unemployment and temporary disability insurance as well as the health benefits program including prescription drugs, dental and vision care programs and allowance for unused sick leave and vacation balance upon retirement and annual allowances required by union agreement.

The following is a comparison of the subject expenditures for Fiscal Year 2016.

	<u>Adopted F/Y15</u>	<u>Proposed F/Y16</u>
Budgeted Positions	99	99
Expenditures:		
Regular Salaries	\$5,623,200	\$5,698,700
Overtime	191,400	190,600
Fringe Benefits	2,900,400	3,083,700
Retiree Health Benefits	808,300	808,300
Workers Compensation (self-insured)	<u>10,000</u>	<u>10,000</u>
Total Salaries and Fringe Benefits	<u>\$9,533,300</u>	<u>\$9,791,300</u>
Anticipated Increase for F/Y16		\$ 258,000

5200 ON-SITE RESIDENCES

This account covers the cost of maintaining On-Site Residences for Authority personnel. This account covers electrical, heating and general maintenance items. All employees in the residences are subject to an employee housing maintenance fee.

**DEFINITIONS AND EXPLANATION OF THE FISCAL YEAR 2016 OPERATING EXPENSE ACCOUNTS**

<b><u>ACCOUNT CODE</u></b>	<b><u>TITLE</u></b>
5211	<u>HEATING FUEL</u>  This account covers the cost of heating the Administration Building, South Branch Pumping Station, Langenfelder Maintenance Barn, and Facilities Maintenance Building.
5220	<u>UTILITIES - ELECTRICAL SERVICE (other than pumping)</u>  This account covers regular electrical use at the Administration Building, South Branch Pumping Station, Langenfelder Maintenance Barn, Reservoir Towers (3) and Vaults (3), Whitehouse Station Release Works, the Raritan Basin System Canal Office, gates and telemarks and street lighting for security and safety purposes.
5230	<u>UTILITIES - GAS SERVICE &amp; WATER</u>  This account covers the cost of natural gas at the Raritan Basin System Canal Office. Also covered in this account is the potable water charge at the Langenfelder Maintenance Barn, and South Branch Pumping Station.
5240	<u>PROPANE</u>  This account covers the cost of propane fuel at the South Branch Pumping Station.
5250	<u>ELECTRICITY FOR PUMPING</u>  This account covers the cost of electricity to operate pumps at the South Branch Pumping Station. Any unanticipated pumping other than normal pumping at the Ten Mile Lock Pumping Station will be charged to the Pumping Reserve.
5260	<u>VEHICULAR FUEL</u>  This account covers the cost of unleaded regular and diesel fuel used by the Authority's motor vehicles.
5270	<u>OIL &amp; GREASE</u>  This account covers the amount of oil and grease used by the Authority's motor vehicles. Also included in this account is mineral oil and those specialty oils used in the pumps and motors at the South Branch Pumping Station and the Ten Mile Lock Pumping Station.

**DEFINITIONS AND EXPLANATION OF THE FISCAL YEAR 2016 OPERATING EXPENSE ACCOUNTS**

<b><u>ACCOUNT CODE</u></b>	<b><u>TITLE</u></b>
5280	<b><u>TIRES</u></b>  This account covers the cost of tires used on the Authority's motor vehicles including cars, trucks, trailers, and construction equipment. Also included in this account is tire repair, tubes, etc.
5290	<b><u>MAINTENANCE SUPPLIES</u></b>  This account covers the entire spectrum of materials and tools used in the maintenance and repair of the Authority's assets. The types of material included in this account are kerosene, lumber, fasteners, masonry products, electrical items, fixtures, signs, posts, fencing and fencing material, road, ditch culvert and bank repair materials, small hand and power tools and welding gases.
5300	<b><u>MAINTENANCE SUPPLIES - VEHICULAR EQUIPMENT</u></b>  This account covers spare parts for vehicular and marine equipment, as well as small maintenance equipment, pumps, generators, chain saws, hand mowers and valve operators. Also included in this account are batteries and vehicular fluids.
5310	<b><u>MAJOR - SPECIALIZED SERVICE AND REPAIR</u></b>  This account is a supplement to account Code 5300 and includes those services that cannot be performed by the Authority's Auto Shop such as body and fender work, major repairs to transmissions, front-end alignments, radiator repairs and major power train overhauls.
5320	<b><u>AGRICULTURE SUPPLIES</u></b>  This account covers those supplies used in maintaining the appearance and control of the grounds such as grass seed, lime, fertilizers, shrubs, trees, pest and weed control and aquatic weed control.
5330	<b><u>MAINTENANCE OF EQUIPMENT</u></b>  This account is to cover normal repair and service to calculators, typewriters and other office machines and furniture, which are not, covered under service and maintenance contracts. Also included in this account is maintenance of security clocks and radio equipment, repairs to engineering and surveying equipment, service to reservoir pumping stations, telemarks, recorders and flow meters and all spare parts needed at the pumping stations to sustain continuous and dependable operation.

**DEFINITIONS AND EXPLANATION OF THE FISCAL YEAR 2016 OPERATING EXPENSE ACCOUNTS**

<b><u>ACCOUNT CODE</u></b>	<b><u>TITLE</u></b>
5340	<b><u>SERVICE AND MAINTENANCE CONTRACTS</u></b>  This account covers contracts used for servicing plumbing (heating and cooling), electrical equipment, elevators, shop machinery and office equipment such as the copier and computers. Also included in this account is refuse disposal and waste removal by private contractors.
5350	<b><u>EQUIPMENT RENTAL</u></b>  This account covers the rental of specialized construction equipment such as pumps, compressors, etc., specialized office equipment, pagers, entry rugs, and the postage machine.
5360	<b><u>HOUSEHOLD, SAFETY AND PROTECTIVE SUPPLIES</u></b>  This account is used to show the estimated cost of materials and supplies of a consumable nature. Covered in this account are such items as janitorial and sanitary supplies, locks and keys, lighting supplies, fire extinguishers, first aid and safety supplies, film rentals and related costs for in-house programs.
5370	<b><u>UNIFORMS</u></b>  This account covers uniforms and related items for Security, Auto Shop Personnel, Survey Crew and Canal Flow Controlmen.
5380	<b><u>SPECIAL AND PROFESSIONAL SERVICES</u></b>  This account covers the estimated cost of professional services such as attorneys, physicians, annual audit fee, Governor's Authority Unit, court reporters, temporary services, engineers, consultants, CDL testing service, employee assistance service, etc.
5390	<b><u>PROTECTIVE SERVICES</u></b>  This account covers the yearly cost of insurance premiums prorated to the Raritan Basin System, covering General Liability, Workmen's Compensation, Vehicular, Etc.
5400	<b><u>TELEPHONE</u></b>  This account covers direct telephone charges for repairs, equipment rental and related expenses.

**DEFINITIONS AND EXPLANATION OF THE FISCAL YEAR 2016 OPERATING EXPENSE ACCOUNTS**

<b><u>ACCOUNT CODE</u></b>	<b><u>TITLE</u></b>
5410	<b><u>POSTAGE AND FREIGHT</u></b>  This account covers all postage costs including express and overnight mail. Also covered in this account are charges for incoming and outgoing freight when applicable.
5420	<b><u>DATA PROCESSING</u></b>  This account covers charges for production of payrolls and required reports under contract with ADP.
5430	<b><u>PRINTING AND OFFICE</u></b>  This account covers the cost of computer supplies, letterhead, envelopes publication costs and forms, archiving of our records, duplication product and all other stationery material and supplies necessary for the operation of the office. Items that are classified as furniture and equipment with a value of \$1,000 are not to be included in this account. Items ordered directly from a vendor or withdrawn from inventory shall be included in this account.
5440	<b><u>SCIENTIFIC AND PHOTOGRAPHIC</u></b>  This account covers the cost of photographic supplies, blueprinting supplies, surveying and engineering supplies, and other charts.
5450	<b><u>DUES AND SUBSCRIPTIONS</u></b>  This account covers the cost of subscriptions to newspapers, magazines, periodicals, reference books, other publications and membership fees in professional societies and associations.
5460	<b><u>ADVERTISING</u></b>  This account covers the cost of legal and classified advertising in newspapers for bids and recruiting.
5470	<b><u>TRAVEL AND SUBSISTENCE</u></b>  This account covers the cost of travel and subsistence expenses reimbursable to an employee or chargeable to the Authority under the provisions of, "The Regulations Governing Employee Expense Reimbursements". It includes travel expense, employee allowances, entertainment of business guests, staff and departmental meal expenses. It will also cover registration fees for attendance at meetings or conventions.

**DEFINITIONS AND EXPLANATION OF THE FISCAL YEAR 2016 OPERATING EXPENSE ACCOUNTS**

**ACCOUNT  
CODE**

**TITLE**

5480            **STAFF TRAINING AND TUITION AID**

This account provides funds for employee's attendance at various technically related and approved courses, training programs, etc.

5490            **FEES AND PERMITS**

This account covers the estimated cost of fees for water diversion and stream encroachment permits from the Division of Water Resources and small-unclassified items such as notaries, hearing rooms and transcripts from the Department of Transportation, etc.

5500            **IN-LIEU TAXES**

This account covers the funds for Reservoirs and Pumping Stations in-lieu tax payment.

## **DESCRIPTION OF RESERVE ACCOUNTS**

### **Major Rehabilitation Fund**

The purpose of this fund is to establish reserves for the following uses: (i) to complete any project or, to the extent required, any portion of the cost of a project, (ii) for the costs of capital improvements, (iii) for the payment of extraordinary operation and maintenance costs, and (iv) for contingencies, including payments with respect to the prevention or correction of any unusual loss or damage in connection with the System or to prevent a loss of revenue therefrom, all to the extent not provided for in then current Annual budget or by reserves in the Operating Fund or from the proceeds of Bonds. Amounts in the Major Rehabilitation Fund shall not be used for the purposes specified in clauses (i) and (ii) above, unless the Authority has received a certificate from a consulting engineer in connection with the Annual Budget.

The minimum recommended balance to be maintained in this account, after October 1988, is 1.4 million.

### **Depreciation**

This reserve is intended to provide for the renewal and replacement of Authority machinery and equipment with a value of \$1,000 or more and a useful life in a range from three to ten years. The annual contribution to this reserve fund is predicated on the actual and/or estimated cost of communication, automotive, heavy construction, transportation, shop and office equipment depreciated over their estimated useful lives of three to ten years, depending upon the nature of the equipment. Depreciation has been determined for each such asset currently in use, as well as for the current Fiscal Year additions and/or renewals.

### **Pumping Reserve**

This reserve is in addition to the annual electrical costs for pumping provided for under the operating cost category. The operating costs for pumping are related specifically to an annual short-term operation of each of the ten major pumps at the South Branch Pumping Station and related electrical equipment and mechanical components. This is considered to be a minimum requirement for the effective preventive maintenance needs of this large facility. The preventative maintenance program must assure the useful life of the equipment, and further insure that the equipment be operable when it is needed for long-term use.

However, it is also considered a prudent step to maintain a pumping reserve to deal with extraordinary electrical expenditures, which will be required whenever a drought period occurs in the normal water cycle.

### **Operating Fund (O & M Reserve)**

In order for the Authority to operate successfully and maintain its financial integrity and ability to attract future investors, reasonable working cash reserves must be established which are consistent with the regular operating costs plus possible extraordinary requirements. It is a requirement of the Bond Resolution that the Authority maintain a level in this reserve equivalent to three months of operating costs. (See Resolution No. 416, Sec. 505 - Adopted 11/17/88)

### **Self-Insurance Reserve**

This Reserve is used to cover any excess liability payments above the Self-Insurance Retainer.

### **Reserve for Formal Dam Inspection**

This reserve, created in FY12, will receive annual contributions equal to one third the cost of the formal dam inspection which occurs every three years. The intention is to level the expenditure and eliminate the spike in expense that would otherwise occur every three years.