

NEW JERSEY WATER SUPPLY AUTHORITY



RARITAN BASIN SYSTEM

FISCAL YEAR 2017 BUDGET

(July 1, 2016 - June 30, 2017)

NEW JERSEY WATER SUPPLY AUTHORITY
RARITAN BASIN SYSTEM

PROPOSED

FISCAL YEAR 2017 BUDGET
(July 1, 2016 – June 30, 2017)

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NEW JERSEY WATER SUPPLY AUTHORITY
RARITAN BASIN SYSTEM

PROPOSED FISCAL YEAR 2017 BUDGET SUMMARY

(7/1/16-6/30/17)

	ADOPTED F/Y2016 BUDGET	PROPOSED F/Y2017 BUDGET
Proposed Operating Expense Budget (Schedule 3)	\$ 13,157,000	\$ 13,491,339
Proposed Capital Equipment Budget (Schedule 5)	298,900	182,900
Allocation of Headquarters General & Administrative Expenses to the Manasquan Reservoir System (Schedule 1)	(737,000)	(744,000)
 Total Operating Expense Budget & Capital Equipment Budget	 \$ 12,718,900	 \$ 12,930,239
 Contributions to Debt Service and Reserve Funds		
Depreciation Reserve	\$ -	\$ -
Other Post Employment Benefits Reserve	-	\$ 181,000
Pumping Reserve	150,000	150,000
Formal Dam Inspection Reserve	10,000	10,000
Capital Equipment Reserve	150,000	150,000
Debt Service Fund (NJEIFP Debt)	1,668,200	1,664,100
Capital Fund Component	2,202,290	2,196,273
Source Water Protection Component	1,601,666	1,597,290
Total Contributions to Debt Service and Reserve Funds	\$ 5,782,156	\$ 5,948,663
 Total Proposed Budget	 \$ 18,501,056	 \$ 18,878,902
 Revenues		
Operating and Maintenance Component	\$ 11,361,450	\$ 11,404,279
NJEIFP Debt Service	1,668,200	1,664,100
Capital Fund Component	2,202,290	2,196,273
Source Water Protection Program Component	1,601,666	1,597,290
Funds to be Appropriated from Rate Stabilization Fund (Schedule 2)	1,571,150	1,929,360
Employee Housing	56,000	47,200
Receivable from State of NJ	5,000	5,000
Interest Earnings	35,300	35,400
Total Revenue	\$ 18,501,056	\$ 18,878,902

Table 1

NEW JERSEY WATER SUPPLY AUTHORITY
RARITAN BASIN SYSTEM

**DELAWARE AND RARITAN CANAL – SPRUCE RUN / ROUND VALLEY RESERVOIRS SYSTEM
RATE HISTORY OF WATER CHARGES PER MILLION GALLONS OF RAW WATER DAILY**

FY2002-FY2017

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			25.00	30.00	24.00	\$231.00	0.00%
July 1, 2014	167.00			25.00	30.00	24.00	\$246.00	6.49%
July 1, 2015	171.00			25.00	33.00	24.00	\$253.00	2.85%
July 1, 2016	171.00			25.00	33.00	24.00	\$253.00	0.00%

NEW JERSEY WATER SUPPLY AUTHORITY
RARITAN BASIN SYSTEM

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

FOR FISCAL YEAR 2017
(7/1/16-6/30/17)

	<u>Total Headquarters Charge</u>	<u>Manasquan Reservoir System</u>	<u>Manasquan WTP/TS</u>
Budgeted-Appendix I, amount to be charged to Manasquan System for F/Y17 (7/1/16-6/30/17)	\$823,329	\$709,165	\$114,164
F/Y15 Adjustment as per audited Expenditures:			
Budgeted as per rate schedule for F/Y15 (7/1/14-6/30/15). Amounts paid during F/Y15 to Raritan Basin System.	\$781,349	\$678,114	\$103,235
Actual allocation based upon audited expenditures F/Y15 (7/1/14-6/30/15) - Appendix II	<u>\$702,080</u>	<u>\$609,319</u>	<u>\$92,761</u>
Adjustments F/Y15	<u>(\$79,269)</u>	<u>(\$68,795)</u>	<u>(\$10,474)</u>
Net Allocation for F/Y2017 Budget	<u><u>\$744,060</u></u>	<u><u>\$640,370</u></u>	<u><u>\$103,690</u></u>
PROPOSED	<u>\$744,000</u>	<u>\$640,000</u>	<u>\$104,000</u>

NEW JERSEY WATER SUPPLY AUTHORITY
RARITAN BASIN SYSTEM

UNANTICIPATED REVENUE

FUNDS TO BE APPROPRIATED INTO THE RATE STABILIZATION FUND FOR FISCAL YEAR 2017

			<u>Amount</u>
F/Y2015 Net Year-End Balance			\$146,214.00
<u>Overdrafts</u>	<u>Invoice No.</u>	<u>Billed</u>	<u>Amount</u>
East Windsor Municipal Utilities Authority	800	11/10/14	\$11.14
	990	07/22/15	\$1,892.80
Heron Glen	801	11/10/14	\$88.62
	803	11/10/14	\$396.78
	991	07/22/15	\$1,187.70
Raritan Valley Country Club	802	11/10/14	\$2,999.06
	992	07/22/15	\$37.54
Somerset County Park Commission	804	11/10/14	\$948.54
Trump National	805	11/10/14	\$484.06
Village Grande	806	11/10/14	\$101.15
		Total	\$8,147.39
		Amount used in FY2016	<u>-\$1,048.30</u>
		NET	\$7,099.09
 <u>Overdrafts Not Billed, Accrued through July, 2015</u>			
NJAW, Somerset County Park, Trump National, Roxiticus, Raritan Valley CC, Washinton Township MUA, Royce Brook, Greenbriar Stonebridge, Hamilton Farms Golf Club, East Brunswick			\$206,052
<u>Other Sources of Funds</u>			
Dredging Deferral			\$1,570,000.00
		Grand Total	<u>\$1,929,364.86</u>
		FY17 Budget	<u>\$1,929,360.00</u>

NEW JERSEY WATER SUPPLY AUTHORITY
RARITAN BASIN SYSTEM

**PROPOSED OPERATING EXPENSE BUDGET FOR FISCAL YEAR 2017 AND EXPENDITURES
THROUGH 3/31/16 FOR FISCAL YEAR 2016**

CODE	ACCOUNT	ADOPTED BUDGET FY16	PROPOSED BUDGET FY17	EXPENDITURES THRU 3/31/16
5110	REGULAR SALARIES & WAGES	\$5,698,700	\$5,886,650	\$3,918,204
5120	OVERTIME-SALARIES & WAGES	190,600	190,000	149,511
5150	FRINGE BENEFITS	3,083,700	3,171,500	2,017,204
5160	RETIREE HEALTH BENEFITS	808,300	1,045,500	615,896
5168	WORKERS' COMP. (SELF INSURED)	10,000	10,000	850
	TOTAL SALARY, OVERTIME & FRINGE BENEFITS	\$9,791,300	\$10,303,650	\$6,701,665
5201	ON-SITE RESIDENCE	\$41,600	\$35,600	18,641
5210	HEATING FUEL	106,400	107,100	29,675
5220	UTILITIES-ELECTRICAL SERVICE	112,500	112,500	64,581
5230	UTILITIES-GAS SERVICE & WATER	4,700	5,000	3,352
5240	UTILITIES-PROPANE	200	200	834
5250	ELECTRICITY FOR PUMPING	90,000	92,000	50,927
5260	VEHICULAR FUEL	157,800	159,000	59,064
5270	OIL & GREASE	6,600	8,700	3,967
5280	TIRES	26,000	29,000	14,761
5290	MAINTENANCE SUPPLIES	213,300	194,300	114,295
5300	MAINT. SUPPLIES- VEHICULAR EQUIPMENT	39,000	48,000	50,666
5310	MAJOR SPECIAL VEHICLE SERVICE & REPAIR	85,000	80,000	64,884
5320	AGRICULTURAL SUPPLIES	5,000	5,000	760
5330	MAINTENANCE OF EQUIPMENT	37,800	44,200	14,943
5340	SERVICE & MAINTENANCE CONTRACTS	181,200	197,600	158,444
5350	EQUIPMENT RENTAL	39,900	38,050	26,115
5360	HOUSEHOLD-SAFETY & PROTECTIVE SUPPLIES	33,200	31,600	22,656
5370	UNIFORMS	6,300	6,800	4,792
5380	SPECIAL & PROFESSIONAL SERVICES	477,600	498,140	252,214
5390	PROTECTIVE SERVICES	1,307,800	1,105,215	876,924
5400	TELEPHONE	72,400	75,000	58,444
5410	POSTAGE & FREIGHT	11,100	7,600	6,000
5420	DATA PROCESSING	44,500	42,284	28,118
5430	PRINTING & OFFICE SUPPLIES	57,700	52,150	35,899
5440	SCIENTIFIC & PHOTOGRAPHIC	500	500	169
5450	DUES & SUBSCRIPTIONS	39,100	40,600	32,530
5460	ADVERTISING	11,000	3,500	3,647
5470	TRAVEL & SUBSISTENCE	6,500	6,500	3,031
5480	STAFF TRAINING & TUITION AID	18,800	19,050	7,487
5490	FEES & PERMITS	113,500	123,800	119,670
5500	IN-LIEU TAXES	18,700	18,700	18,689
	SUB TOTALS	\$3,365,700	\$3,187,689	\$2,146,178
TOTALS		\$13,157,000	\$13,491,339	\$8,847,844

NEW JERSEY WATER SUPPLY AUTHORITY
RARITAN BASIN SYSTEM

COMPARATIVE STATEMENT FISCAL YEAR 2017

CODE	ACCOUNT	FY'13 ACTUAL	FY'14 ACTUAL	FY'15 ACTUAL	FY'16 ADOPTED	FY'17 PROPOSED
5110	Regular Salaries & Wages	\$5,214,020	\$5,227,901	\$5,232,036	\$5,698,700	\$5,886,650
5120	Overtime-Salaries & Wages	211,797	186,907	176,438	190,600	190,000
5130	New positions-Salaries & Wages	0	0	0	0	0
5162	Retiree Unused Sick & Vacation	0	41,044	38,788	0	0
5150	Fringe Benefits	2,634,592	2,549,057	2,478,311	3,083,700	3,171,500
5167	Retiree Health Benefits	619,662	711,226	769,820	808,300	1,045,500
5168	Workers Comp. (Self Insured)	3,679	4,384	5,707	10,000	10,000
	Total Salary & Fringe	8,683,750	8,720,519	8,701,100	9,791,300	10,303,650
	Budget Salary & Fringe	\$8,982,500	\$9,700,250			
5200	Residences	\$80,172	\$85,031	\$77,320	\$41,600	\$35,600
5211	Heating Fuel	112,576	99,709	71,915	106,400	107,100
5220	Utilities -Electrical Service	104,123	106,609	105,818	112,500	112,500
5230	-Gas Service	4,258	4,980	4,234	4,700	5,000
5240	-Propane	102	520	271	200	200
5250	Electricity for Pumping Station	75,400	77,401	79,790	90,000	92,000
5260	Fuel - Vehicular	153,547	144,641	143,557	157,800	159,000
5270	Oil & Grease	2,829	5,222	6,041	6,600	8,700
5280	Tires	14,855	31,557	23,157	26,000	29,000
5290	Maintenance Supplies	165,264	161,555	147,168	213,300	194,300
5300	Maint. Supplies - Vehicular	38,258	51,614	47,617	39,000	48,000
5310	Major Vehicle Service & Repair	100,424	102,034	72,802	85,000	80,000
5320	Agricultural Supplies	1,328	653	3,008	5,000	5,000
5330	Maintenance Equipment	14,574	35,808	26,502	37,800	44,200
5340	Serv. & Maintenance Contracts	179,019	167,202	184,660	181,200	197,600
5350	Equipment Rental	139,944	60,514	42,988	39,900	38,050
5360	Household - Safety Supplies	24,137	26,771	26,899	33,200	31,600
5370	Uniforms	5,706	3,266	4,828	6,300	6,800
5380	Special & Professional Services	467,728	411,176	436,850	477,600	498,140
5390	Protective Services	1,047,791	1,133,656	1,188,766	1,307,800	1,105,215
5400	Telephone	70,944	73,113	83,797	72,400	75,000
5410	Postage & Freight Out	9,808	3,464	6,157	11,100	7,600
5420	Data Processing	42,660	36,203	40,023	44,500	42,284
5430	Printing & Office Supplies	78,749	56,904	46,225	57,700	52,150
5440	Scientific & Photographic	43	0	995	500	500
5450	Dues & Subscriptions	34,603	33,520	34,206	39,100	40,600
5460	Advertising & Promotional	3,269	5,925	3,898	11,000	3,500
5470	Travel & Subsistence	2,035	2,939	2,274	6,500	6,500
5480	Staff Training & Tuition Aid	13,561	11,220	8,352	18,800	19,050
5490	Fees & Permits	113,468	114,616	113,970	113,500	123,800
5500	In - Lieu Taxes	18,689	18,689	18,689	18,700	18,700
	Total Other Expenses	\$3,119,864	\$3,066,512	\$3,052,777	\$3,365,700	\$3,187,689
	Total Operating Expenses	\$11,803,614	\$11,787,031	\$11,753,877	\$13,157,000	\$13,491,339
	Annual Increase (Decrease)	1.23%	-0.14%	-0.28%	11.94%	2.54%
	Budget -other expenses	3,090,900	3,077,600	3,290,600	3,365,700	
	ANNUAL BUDGET	\$12,073,400	\$12,777,850	\$12,823,900	\$13,157,000	

NEW JERSEY WATER SUPPLY AUTHORITY
RARITAN BASIN SYSTEM

PROPOSED CAPITAL EQUIPMENT BUDGET

FOR FISCAL YEAR 2017
(7/1/16-6/30/17)

	Description	(R) Replacement (A) Addition	Year of Purchase	Dollar Value	Depreciation Reserve
INFORMATION SYSTEMS	(1) VIDEO SYSTEM - ANNEX	(A)		1,500	
	(1) VIDEO SYSTEM - CONF ROOM	(A)		1,500	
FACILITIES	(1) BOILER REPLACEMENT BUSHER RESIDENCE	(R) - original	1991	10,000	0
	(3) DOOR REPLACEMENT - SINGLE	(R) - original		15,000	0
	(1) DOOR REPLACEMENT - DOUBLE	(R) - original		9,000	0
	SINGLE DOORS - COMPRESSOR ROOM, PAINT ROOM AND CARPENTERS SHOP				
	DOUBLE DOORS - BOILER ROOM				
	(2) PORTABLE WATER TANKS	(R)		20,000	0
	(1) BUMPER CRANE FOR VEHICLE NJWA 18	(A)		5,500	
GROUNDS	(1) TON HD DECK OVER TRAILER	(R) EQ1707	1999	20,000	12,820
	(1) HYDRAULIC POLE SAW	(R) PE1613	1997	2,000	1,072
	(1) AIR COMPRESSOR RVMB	(R) PE742	1986	7,000	1,685
	(1) TOW BEHIND AIR COMPRESSOR	(R) PE1480	1994	15,000	11,566
	(1) TRACTOR TS100	(R) PE1751	2000	90,000	63,425
CANAL	(1) NJWA-37 SMALL SUV	(R) TR2196	2011	30,000	22,413
	(1) NJWA-38 SIX MAN PICKUP	(R) TR2135	2009	40,000	28,557
	(1) NJWA-46 SIX MAN PICKUP	(R) TR2136	2009	40,000	28,557
	(2) REPLACE RTU @ PERDICARIS & WASH. CROSSING	(R)		30,000	
	(1) REPLACE DUMP BODY ON NJWA -30	(R)		25,000	
	(2) 9.9 HP, 4 STROKE OUTBOARD BOAT MOTOR(S)	(R) 2209/2210		5,000	2,190
AUTO SHOP	(1) TRUCK MOUNT AIR COMPRESSOR	(A)		3,500	
SAFETY	(2) REPLACE TWO AED UNITS	(R) EQ2203, 2204	2012	4,000	1,886
SECURITY	(1) SECURITY VEHICLE - NJWA-13 FORD EXPLORER	(R) TR2216	2013	32,000	24,708

TOTAL COST	\$406,000	\$198,879
LESS AMOUNT CHARGED TO DEPRECIATION RESERVE	(198,879)	
NET TOTAL	\$207,121	

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LESS AMOUNT CHARGED TO CAPITAL EQUIPMENT RESERVE \$0

29-Mar-16

LESS ADDITIONAL AMOUNT CHARGED TO DEPRECIATION RESERVE (\$24,218)

TOTAL \$182,903

AMOUNT FUNDED FOR FY2017 **\$182,900**

NEW JERSEY WATER SUPPLY AUTHORITY
RARITAN BASIN SYSTEM

LIST OF CATEGORY 5340 ITEMS RECOMMENDED SERVICE & MAINTENANCE CONTRACTS

FISCAL YEAR 2017

	ADOPTED F/Y16	PROPOSED F/Y17
1. Postage/Fax/ Misc. Machines (Dept. 16)	\$1,000	\$1,500
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)	\$500	\$500
5. Sage MAS 200 (Dept. 17)	\$1,600	\$4,500
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	\$1,000
10. COMCAST - Cable Internet (Dept. 17)	\$4,200	\$4,280
11. Essention - Conservation Trak	\$0	\$2,500
12. OSHA Software (GAO) (Dept. 17)	\$100	\$0
13. Pure Host Web Hosting Administration (Dept. 17)	\$200	\$200
14. Pure Host Web Hosting Watershed (Dept. 17)	\$250	\$250
15. Symantec Anti-Virus Maintenance-Clinton (Dept. 17)	\$2,400	\$2,200
16. Sonic Wall Software (Dept. 17)	\$1,500	\$1,200
17. ESRI ArcView Maintenance- Watershed (Dept. 17)	\$5,400	\$5,400
18. CU Riverware Maintenance Agreement (Dept. 17)	\$3,400	\$3,400
19. McAfee Antispam (Dept. 17)	\$1,500	\$1,500
20. River Morph (Dept. 17)	\$800	\$500
21. DLT Solutions Autocad (Dept. 17)	\$1,000	\$1,500
22. Fastrax SBPS Monitoring Software (Dept. 17)	\$900	\$900
23. ESRI ArcView Maintenance-Clinton (Dept. 17)	\$500	\$800
24. Keystone Precision-GPS Software Maint. (Dept. 17)	\$800	\$800
25. HAAS Systems-Security Alarm Software Maint. (Dept. 17)	\$400	\$400
26. Clients First-Vipre Antivirus/Antispam (Dept. 17)	\$250	\$250
27. EZ Watch Security Video (Dept. 17)	\$0	\$900
28. Clients First - Server Software (Dept. 17)	\$0	\$1,000
29. Delmar Enterprises - Key Systems (Dept. 17)	\$0	\$520
30. Cleaning Services (Dept. 20)	\$1,800	\$0
31. Echowood Carpet Cleaning (Dept. 20)	\$1,500	\$0
32. Yahoo for River Friendly (Dept. 20)	\$100	\$100

(continued on next page)

NEW JERSEY WATER SUPPLY AUTHORITY
RARITAN BASIN SYSTEM**LIST OF CATEGORY 5340 ITEMS RECOMMENDED SERVICE & MAINTENANCE CONTRACTS**

FISCAL YEAR 2017

	ADOPTED <u>F/Y16</u>	PROPOSED <u>F/Y17</u>
33. Refuse Collection (Dept. 31)	\$11,900	\$11,900
34. Janitorial Service (Dept. 31)	\$15,500	\$15,500
35. HVAC Service (Dept. 31)	\$5,500	\$5,500
36. Electrician & Plumber Services (Dept. 31)	\$5,000	\$5,000
37. Instrumentation Services (Dept. 31)	\$4,500	\$4,500
38. Entry Rugs (Dept. 31)	\$2,700	\$2,700
39. Carpet Cleaning (Dept. 31)	\$2,300	\$2,300
40. Generator Service- Administration Building (Dept. 31)	\$1,200	\$1,200
41. Underground Plant Location Service Notifications (Dept. 31)	\$1,000	\$1,000
42. Crane Service and Inspection (Dept. 31)	\$1,200	\$1,200
43. Elevator Service-SBPS (Dept. 31)	\$2,800	\$2,800
44. Electrical Service-SBPS (Dept. 31)	\$6,400	\$6,400
45. Floor Cleaning Maintenance-Office (Dept. 32)	\$2,400	\$2,400
46. Janitorial Service (Dept. 32)	\$7,300	\$7,300
47. Dumpster Service Canal Office (Dept. 32)	\$3,000	\$3,000
48. Dumpster Service Route 1 (Dept. 32)	\$28,000	\$31,000
49. Dumpster Service-Extra (Dept. 32)	\$2,000	\$2,000
50. Instrumentation Testing (Dept. 32)	\$1,000	\$1,000
51. Floor Mats (Dept. 32)	\$1,000	\$1,000
52. Grass Mowing Service (Dept. 32)	\$5,000	\$5,800
53. Boiler Service (Dept. 32)	\$300	\$300
54. Wood Disposal Fees (Dept. 32)	\$3,100	\$3,100
55. Generator Service-Scudders & Perdicaris (Dept. 32)	\$3,000	\$3,000
56. Vac Truck Service-IFW, 10 Mile PS (Dept. 32)	\$3,900	\$3,900
57. Tire Recycling (Dept. 32)	\$0	\$1,000
58. Floor Mats (Dept. 33)	\$2,300	\$2,800
59. Carpet Cleaning (Dept. 33)	\$3,100	\$8,000
60. Welco Gas (Dept. 33)	\$600	\$600
61. Parts Washer & Hazardous Removal (Dept. 34)	\$1,000	\$1,000
62. Fire Extinguisher Maintenance (Dept. 36)	\$6,000	\$7,000
63. Hazardous Waste Control (Dept. 36)	\$1,500	\$1,500
64. Fire Alarm Testing (Dept. 36)	\$8,000	\$8,000
65. Vehicle Lifts Annual Testing (Dept. 36)	\$1,500	\$1,500
	<u>TOTAL</u>	<u>\$197,600</u>
	<u>\$181,200</u>	<u>\$197,600</u>

NEW JERSEY WATER SUPPLY AUTHORITY
RARITAN BASIN SYSTEM

LIST OF CATEGORY 5380 ITEMS RECOMMENDED PROFESSIONAL SERVICES

FISCAL YEAR 2017

	ADOPTED F/Y16	PROPOSED F/Y17
1. Services-Governor's Authorities Unit (Dept. 10)	\$25,000	\$25,000
2. Consultant-C.P.A. to Conduct Annual Audit (Dept. 13)	\$60,000	\$60,610
3. Services-GFOA Certificate Fee (Dept. 13)	\$500	\$500
4. 125 Plan-Family security Insurance Agency (Dept. 13)	\$2,500	\$2,730
5. Archiving (Dept. 13)	\$0	\$5,000
6. Services-Pre-Employment Exams & Tests (Dept. 14)	\$3,100	\$2,400
7. Fidelifax-Background Checks (Dept. 14)	\$2,100	\$1,600
8. Medical CDL Drug Testing (Dept. 14)	\$1,600	\$1,600
9. Employee Advisory Service (Dept. 14)	\$2,800	\$2,500
10. Consultant-Risk Management - to provide assistance to the Authority in the review of insurance coverage and continuation of a Comprehensive Coordinated Risk Management Program (Dept. 15)	\$33,500	\$29,000
11. Insurance Broker-HRH (Dept. 15)	\$42,000	\$42,000
12. GL Administrator (ESIS) (Dept. 15)	\$2,100	\$800
13. Services-Attorney General's Office - Assistance of Deputy Attorney General concerning a wide range of legal matters (Dept. 15)	\$50,000	\$40,000
14. Miscellaneous (Dept. 15)	\$0	\$10,000
15. Water Monitoring Costs - USGS SR @ Glen Gardner (Dept. 20)	\$6,900	\$15,100
16. Water Monitoring Costs - USGS Mulhockaway @ Van Syckel (Dept. 20)	\$0	\$5,400
17. Water Monitoring Costs - USGS Lockatong Creek @ Raven Rock (Dept. 20)	\$0	\$11,900
18. Water Monitoring Costs - USGS Raritan River @ Manville (Dept. 20)	\$41,700	\$44,300
19. USGS Continuous Water Quality for D&R Canal, Landing Lane (Dept. 20)	\$31,000	\$33,600
20. Water Monitoring USGS Lock/Wick (Dept. 20)	\$11,500	\$0
21. Water Monitoring USGS @ Stanton Station (Dept. 20)	\$6,900	\$0
22. Water Monitoring-SBWA/URWA now RHA (Dept. 20)	\$2,000	\$2,000
23. Water Monitoring-SBMWA (Dept. 20)	\$1,500	\$1,500

(continued on next page)

NEW JERSEY WATER SUPPLY AUTHORITY
RARITAN BASIN SYSTEM

LIST OF CATEGORY 5380 ITEMS RECOMMENDED PROFESSIONAL SERVICES

FISCAL YEAR 2017

	<u>ADOPTED</u> F/Y16	<u>PROPOSED</u> F/Y17
24. Dash for the Trash (Dept. 20)	\$1,000	\$1,000
25. Lab Certification WPU/Water Sample Analysis (Dept. 20)	\$1,000	\$1,500
26. NJ Invasive Species Strike Team (Dept. 20)	\$300	\$300
27. Stroud Water Research Macroinvertebrates Analysis (Dept. 20)	\$5,200	\$0
28. Lockatong ISCO Monitoring (Dept. 20)	\$0	\$4,000
29. D&R Canal ISCO Monitoring (Dept. 20)	\$0	\$4,000
30. Services-Emergency Engineering Services (Dept 30)	\$2,500	\$2,500
31. Underground Storage Tank-CEA Report (Dept. 30)	\$11,000	\$11,000
32. Underground Storage Tank Groundwater Test (Dept. 30)	\$2,500	\$2,500
33. Services - USGS Cooperative Agreement River Gauging - Maintenance of Raritan Basin Stream Gauging Stations and the Delaware & Raritan Canal Gauging at Kingston per USGS/DWR/NJWSA Agreement (Dept. 31)	\$72,000	\$72,000
34. Services-USGS Spruce Run Gauging	\$17,000	\$17,000
35. Maintenance of two stations on Streams feeding Spruce Run not covered under State Cooperative Agreement (Dept. 31)		
36. Water Testing	\$2,400	\$2,400
37. Water Testing and Sampling to comply with the Safe Water Drinking Act (Dept. 31)		
38. Services-Water Sampling and Testing as per NJDWR Requirements - A) RT 202 Stockpile Site (Dept 32)	\$5,000	\$5,500
39. Maintenance of USGS Gauges at Washington Crossing and Pricaris Waste Gate (Dept. 32)	\$13,500	\$20,000
40. Safety Suggestion Program, Poster and Promotional Materials, Safety Incentive Program (Dept. 36)	\$9,700	\$9,700
41. Pulmonary Testing and Physicals (Dept. 36)	\$5,000	\$5,000
42. Annual Contributions to Fire Companies and Rescue Squads (Dept. 36)	\$1,300	\$500
43. Hepatitis Vaccinations (Dept. 36)	\$800	\$800
44. Calibration for the Pota-Count Respirator (Dept. 36)	\$700	\$900
TOTAL	<u>\$477,600</u>	<u>\$498,140</u>

NEW JERSEY WATER SUPPLY AUTHORITY
RARITAN BASIN SYSTEM

PROJECTED FY 2017 NEW JERSEY WATER SUPPLY AUTHORITY INSURANCE PROGRAM

<u>Policy</u>	<u>Raritan Basin System</u>	<u>Manasquan Reservoir System</u>	<u>Manasquan Water Treatment Plant and Transmission System</u>	<u>Total Premium</u>
Property Limit \$150 million, Limit \$25m BI Deduct: \$100k all perils \$250k Deduct dams, dikes / \$1m Deduct Canal flood	\$479,976	\$161,354	\$39,487	\$680,817
General/Products Liability Limit \$1 million Deduct: \$150k	\$96,774	\$9,048	\$1,879	\$107,701
Environmental Impairment Liability Limit \$10 million Deduct: \$100k	\$22,730	\$2,125	\$441	\$25,296
Workers' Compensation Limit \$1 million	\$180,515	\$23,206	\$24,315	\$228,036
Employer Liability Limit \$1 million	Included in Workers' Comp	Included in Workers' Comp	Included in Workers' Comp	Included in Workers' Comp
Umbrella Liability Limit \$23 million	\$262,492	\$24,541	\$5,096	\$292,129
Business Automobile Limit: \$1 million G/L, \$0 pd Deduct: \$50k, G/L	\$16,528	\$2,934	\$672	\$20,134
Management Liability Public Officials Liability Cyber Risk Fidelity & Crime Limit \$5 million/\$1million/\$1 million Deduct: \$100k/\$10k/\$50k	\$40,232 \$5,092 <hr/> \$45,324	\$3,761 \$476 <hr/> \$4,237	\$781 \$99 <hr/> \$3,531 <hr/> \$4,411	\$44,774 \$5,667 <hr/> \$3,531 <hr/> \$53,972
Travel Accident Limit \$2 million	\$876	\$82	\$17	\$975
TOTAL:	<hr/> \$1,105,215	<hr/> \$227,527	<hr/> \$76,318	<hr/> \$1,409,060

JERSEY WATER SUPPLY AUTHORITY
RARITAN BASIN SYSTEM

DEFINITIONS AND EXPLANATION OF THE FISCAL YEAR 2017 OPERATING EXPENSE ACCOUNTS

**ACCOUNT
CODE**

TITLE

5110 SALARIES AND WAGES

5120-
5140 OVERTIME

5150-
5168 FRINGE BENEFITS

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/Y16</u>	<u>Proposed F/Y17</u>
Budgeted Positions	99	99
Expenditures:		
Regular Salaries	\$5,698,700	\$5,886,650
Overtime	190,600	190,000
Fringe Benefits	3,083,700	3,171,500
Retiree Health Benefits	808,300	1,045,500
Worker's Compensation (self-insured)	<u>10,000</u>	<u>10,000</u>
Total Salaries and Fringe Benefits	<u>\$9,791,300</u>	<u>\$10,303,650</u>
Anticipated Increase for F/Y17		\$512,350

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 2017 OPERATING EXPENSE ACCOUNTS

<u>ACCOUNT CODE</u>	<u>TITLE</u>
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 & 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 & 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 2017 OPERATING EXPENSE ACCOUNTS

<u>ACCOUNT CODE</u>	<u>TITLE</u>
5280	<u>TIRES</u> 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	<u>MAINTENANCE SUPPLIES</u> 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	<u>MAINTENANCE SUPPLIES - VEHICULAR EQUIPMENT</u> 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	<u>MAJOR - SPECIALIZED SERVICE AND REPAIR</u> 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	<u>AGRICULTURE SUPPLIES</u> 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	<u>MAINTENANCE OF EQUIPMENT</u> 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 2017 OPERATING EXPENSE ACCOUNTS

<u>ACCOUNT CODE</u>	<u>TITLE</u>
5340	<u>SERVICE AND MAINTENANCE CONTRACTS</u> 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	<u>EQUIPMENT RENTAL</u> 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	<u>HOUSEHOLD, SAFETY AND PROTECTIVE SUPPLIES</u> 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	<u>UNIFORMS</u> This account covers uniforms and related items for Security, Auto Shop Personnel, Survey Crew and Canal Flow Controlmen.
5380	<u>SPECIAL AND PROFESSIONAL SERVICES</u> 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	<u>PROTECTIVE SERVICES</u> This account covers the yearly cost of insurance premiums prorated to the Raritan Basin System, covering General Liability, Workmen's Compensation, Vehicular, Etc.
5400	<u>TELEPHONE</u> This account covers direct telephone charges for repairs, equipment rental and related expenses.

DEFINITIONS AND EXPLANATION OF THE FISCAL YEAR 2017 OPERATING EXPENSE ACCOUNTS

<u>ACCOUNT CODE</u>	<u>TITLE</u>
5410	<u>POSTAGE AND FREIGHT</u> 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	<u>DATA PROCESSING</u> This account covers charges for production of payrolls and required reports under contract with ADP.
5430	<u>PRINTING AND OFFICE</u> 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	<u>SCIENTIFIC AND PHOTOGRAPHIC</u> This account covers the cost of photographic supplies, blueprinting supplies, surveying and engineering supplies, and other charts.
5450	<u>DUES AND SUBSCRIPTIONS</u> This account covers the cost of subscriptions to newspapers, magazines, periodicals, reference books, other publications and membership fees in professional societies and associations.
5460	<u>ADVERTISING</u> This account covers the cost of legal and classified advertising in newspapers for bids and recruiting.
5470	<u>TRAVEL AND SUBSISTENCE</u> 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 2017 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.

Capital Equipment Reserve

The purpose of this fund is to establish a reserve for purchases capital equipment, including computer and facilities equipment, vehicles, and other various pieces of operational equipment.

Other Post-Employment Benefits Reserve

The purpose of this fund is to establish a reserve for the payout of sick time to retired employees. Employees can receive up to a \$15,000 reimbursement for unused sick days upon their retirement.