

NEW JERSEY WATER SUPPLY AUTHORITY

MANASQUAN RESERVOIR SYSTEM

FISCAL YEAR 2022 BUDGET

(July 1, 2021 - June 30, 2022)

**Adopted
May 3, 2021**

RARITAN BASIN SYSTEM

FISCAL YEAR 2022 BUDGET

(July 1, 2021 - June 30, 2022)

**Adopted
May 3, 2021**

MANASQUAN WATER TREATMENT PLANT AND TRANSMISSION SYSTEM

FISCAL YEAR 2022 BUDGET

(July 1, 2021 - June 30, 2022)

Presentation Only

NEW JERSEY WATER SUPPLY AUTHORITY



MANASQUAN RESERVOIR SYSTEM

FISCAL YEAR 2022 BUDGET

(July 1, 2021 - June 30, 2022)

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN RESERVOIR SYSTEM

PROPOSED

FISCAL YEAR 2022 BUDGET
(July 1, 2021-June 30, 2022)

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NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN RESERVOIR SYSTEM

PROPOSED FISCAL YEAR 2022 BUDGET SUMMARY

(7/1/21-6/30/22)

	ADOPTED F/Y2021 <u>Reservoir Budget</u>	PROPOSED F/Y2022 <u>Reservoir Budget</u>
Proposed Operating Expense Budget (Schedule 2)	\$ 2,560,530	\$ 2,761,170
Proposed Capital Equipment Budget (Schedule 13)	14,900	17,700
Allocation of Headquarters General & Administrative Expenses to the Manasquan Reservoir System (Schedule 5)	<u>542,000</u>	<u>583,000</u>
 Total Operating Expense Budget & Capital Equipment Budget	 \$ 3,117,430	 \$ 3,361,870
 Adjustment for F/Y20 Salary & Fringe Expenses to be paid from the WTP/TS Account	 \$ -	 \$ 79,801
Adjustment for F/Y19 Salary & Fringe Expenses to be paid from the WTP/TS Account	\$ 178,643	\$ -
 Contributions to Debt Service and Reserve Funds		
Renewal & Replacement	\$ 120,000	\$ 120,000
Sediment Reserve	10,000	10,000
Formal Dam Inspection Reserve	5,000	5,000
High Voltage Testing Reserve	15,000	15,000
Delayed Debt Service Fund (120 percent coverage)	710,505	710,513
NJEIFP Debt Service	176,917	176,921
Source Water Protection Program	106,450	106,450
Capital Fund Component	3,199,663	3,199,663
Other Post Employment Benefits Reserve	-	-
Supplemental Renewal & Replacement	-	-
Total Contributions to Debt Service and Reserve Funds	<u>\$ 4,343,535</u>	<u>\$ 4,343,547</u>
 Total Proposed Budget	 <u>\$ 7,639,608</u>	 <u>\$ 7,785,218</u>
 Revenues		
Operating and Maintenance Component	\$ 3,138,783	\$ 3,138,801
Appropriation from General Fund (Rate Stabilization)	223,490	409,570
Delayed Debt Service (120 percent coverage)	710,505	710,513
NJEIFP Debt Service	176,917	176,921
Source Water Protection Program Component	106,450	106,450
Capital Fund Component	3,199,663	\$ 3,199,663
F/Y20 interest earnings were estimated at .25 percent, long-term investments were estimated at 1.3 percent.	<u>83,800</u>	<u>43,300</u>
Total Revenue	<u>\$ 7,639,608</u>	<u>\$ 7,785,218</u>

Table 1

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN RESERVOIR SYSTEM

**RATE HISTORY OF WATER CHARGES PER MILLION GALLONS OF RAW WATER DAILY
FY2003-FY2022 – INITIAL WATER USERS**

INITIAL WATER PURCHASER 14.98 mgd JULY 1, 2015
SHORELANDS .028 mgd July 1, 2006

Effective Date	O&M Charge	Source Water Protection	Debt Repayment 2/1/91-8/01/20	NJEIFP Debt Component	Capital Fund Component	Total Charge per MG	Percent Increase (Decrease)
July 1, 2002	212.35		582.62			\$794.97	-0.37%
July 1, 2003	201.14	15	578.83			\$794.97	0.00%
July 1, 2004	321.69	15	584.95			\$921.64	15.93%
July 1, 2005	295.41	15	584.6			\$895.01	-2.89%
July 1, 2006	295.41	15	522.86			\$833.27	-6.90%
July 1, 2007	302.52	15	528.54			\$846.06	1.53%
July 1, 2008	302.52	15	566.59			\$884.11	4.50%
July 1, 2009	396.79	15	568.26			\$980.05	10.85%
July 1, 2010	396.79	15	568.69			\$980.48	0.04%
July 1, 2011	347.39	15	618.09	35.42		\$1,015.90	3.61%
July 1, 2012	345.95	15	619.53	35.42		\$1,015.90	0.00%
July 1, 2013	356.61	15	619.87	24.42		\$1,015.90	0.00%
July 1, 2014	356.61	15	619.87	24.42		\$1,015.90	0.00%
July 1, 2015	386.00	10.00	636.61	24.79		\$1,057.40	4.09%
July 1, 2016	432.87	10.00	636.61	25.10		\$1,104.58	4.46%
July 1, 2017	432.87	15.00	570.55	24.93		\$1,043.35	-5.54%
July 1, 2018	432.87	15.00	570.55	24.93		\$1,043.35	0.00%
July 1, 2019	432.87	15.00	570.55	24.93		\$1,043.35	0.00%
July 1, 2020	445.82	15.00	0.00	24.93	525.00	\$1,010.75	-3.12%
July 1, 2021	445.82	15.00	0.00	24.93	525.00	\$1,010.75	0.00%

Table 2

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN RESERVOIR SYSTEM

**RATE HISTORY OF WATER CHARGES PER MILLION GALLONS OF RAW WATER DAILY
FY2008-FY2022 – DELAYED WATER USERS**

DELAYED WATER PURCHASER NJ-AMERICAN 1 mgd JULY 1, 2001
1.935 mgd OCTOBER 1, 2002
1.500 mgd JANUARY 1, 2005

<u>Effective Date</u>	<u>O&M Charge</u>	<u>Source Water Protection</u>	<u>Debt Repayment 2/1/02-8/01/31</u>	<u>NJEIFP Debt Component</u>	<u>Capital Fund Component</u>	<u>Total Charge per MG</u>	<u>Percent Increase (Decrease)</u>
July 1, 2007	302.52	15.00	764.44			\$1,081.96	0.74%
July 1, 2008	302.52	15.00	762.28			\$1,079.80	-0.20%
July 1, 2009	396.79	15.00	763.24			\$1,175.03	8.82%
July 1, 2010	396.79	15.00	756.19			\$1,167.98	-0.60%
July 1, 2011	347.39	15.00	770.90	35.42		\$1,168.71	0.06%
July 1, 2012	345.95	15.00	772.12	35.42		\$1,168.49	-0.02%
July 1, 2013	356.61	15.00	772.46	24.42		\$1,168.49	0.00%
July 1, 2014	356.61	15.00	772.46	24.42		\$1,168.49	0.00%
July 1, 2015	386.00	10.00	770.07	24.79		\$1,190.86	1.91%
July 1, 2016	432.87	10.00	770.07	25.10		\$1,238.04	3.96%
July 1, 2017	432.87	15.00	664.96	24.93		\$1,137.76	-8.10%
July 1, 2018	432.87	15.00	664.96	24.93		\$1,137.76	0.00%
July 1, 2019	432.87	15.00	664.96	24.93		\$1,137.76	0.00%
July 1, 2020	445.82	15.00	438.92	24.93	200.00	\$1,124.67	-1.15%
July 1, 2021	445.82	15.00	438.92	24.93	200.00	\$1,124.67	0.00%

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN RESERVOIR SYSTEM

DEBT SERVICE COVERAGE

FISCAL YEAR 2022
(7/1/21-6/30/22)

	<u>Budgeted F/Y2022</u>
<u>Revenues</u>	
Uninterruptible Water Sales	\$ 7,357,395
Interest Income	\$ 43,300
Total Revenues	<u>\$ 7,400,695</u>
 <u>Expenses</u>	
O&M Costs	\$ 2,761,170
Overhead Allocation	\$ 583,000
Total O&M	<u>\$ 3,344,170</u>
Cash Available for Debt Service - A	\$ 4,056,525
Net Debt Service Expense	\$ 581,963
Debt Service Coverage Calculation - A/B	6.97
Cash After Debt Service A-B	\$ 3,474,562

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN RESERVOIR SYSTEM

TOTAL OPERATIONS & MAINTENANCE BUDGET

FISCAL YEAR 2022
(7/01/21-6/30/22)

	F/Y2021 Reservoir Adopted	F/Y2022 Reservoir Proposed
	<u> </u>	<u> </u>
Salaries & Fringe Benefits (Schedule 6)	\$1,415,510	\$1,503,432
O & M Direct Expense (Schedule 3)	1,005,936	1,116,400
G&A Expenses (Schedule 4)	139,086	141,339
Total Operations & Maintenance Budget	<u>\$2,560,532</u>	<u>\$2,761,172</u>
Estimate	<u>\$2,560,530</u>	<u>\$2,761,170</u>

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN RESERVOIR SYSTEM

PROPOSED OPERATIONS & MAINTENANCE DIRECT EXPENSE BUDGET (40)

FISCAL YEAR 2022
(7/01/21-6/30/22)

<u>CODE</u>	<u>ACCOUNT DESCRIPTION</u>	RESERVOIR <u>DIRECT</u>	
		<u>ADOPTED FY21</u>	<u>PROPOSED FY22</u>
5200	Residences	\$ -	\$ -
5210	Heating Fuel	800	900
5220	Utilities -Electrical Service	90,500	90,500
5230	-Gas Service	8,000	8,000
5240	-Propane		
5250	Electricity for Pumping Station	305,000	305,000
5260	Fuel - Vehicular	-	-
5270	Oil & Grease	-	-
5280	Tires	-	-
5290	Maintenance Supplies	4,000	4,000
5300	Maint. Supplies - Vehicular	-	-
5310	Major Vehicle Service & Repair	-	-
5320	Agricultural Supplies	-	-
5330	Maintenance Equipment	51,500	51,500
5340	Serv. & Maintenance Contracts	43,450	(Sch. 9) 43,450
5350	Equipment Rental	6,500	6,500
5360	Household - Safety Supplies	1,000	1,000
5370	Uniforms	-	-
5380	Special & Professional Services	138,686	(Sch. 11) 138,686
5390	Protective Services	266,200	(Sch. 14) 328,564
5400	Telephone	8,000	8,000
5410	Postage & Freight Out	-	-
5420	Data Processing	-	-
5430	Printing & Office Supplies	1,500	1,500
5440	Scientific & Photographic	5,500	5,500
5450	Dues & Subscriptions	-	-
5460	Advertising & Promotional	2,000	2,000
5470	Travel & Subsistence	-	-
5480	Staff Training & Tuition Aid	-	-
5490	Fees & Permits	36,500	37,500
5500	In - Lieu Taxes	36,800	36,800
5510	Sediment Removal	-	47,000
TOTAL O&M DIRECT EXPENSE BUDGET		<u>\$ 1,005,936</u>	<u>\$ 1,116,400</u>

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN RESERVOIR SYSTEM

PROPOSED GENERAL & ADMINISTRATIVE EXPENSE BUDGET (60)

FISCAL YEAR 2022
(7/01/21-6/30/22)

<u>CODE</u>	<u>ACCOUNT</u>	ADOPTED G&A <u>FY21</u>	PROPOSED G&A <u>FY22</u>
	Salaries & Fringe Benefits	\$ 2,999,300	\$3,156,600
5200	Residences		
5210	Heating Fuel		
5220	Utilities -Electrical Service		
5230	-Gas Service		
5240	-Propane		
5250	Electricity for Pumping Station		
5260	Fuel - Vehicular	22,750	22,750
5270	Oil & Grease	5,700	5,700
5280	Tires	7,000	7,000
5290	Maintenance Supplies	27,300	27,300
5300	Maint. Supplies - Vehicular	10,600	10,600
5310	Major Vehicle Service & Repair	52,000	52,000
5320	Agricultural Supplies	8,600	8,600
5330	Maintenance Equipment	17,100	17,100
5340	Serv. & Maintenance Contracts	22,550 (Sch. 10)	26,550
5350	Equipment Rental	4,300	4,300
5360	Household - Safety Supplies	7,500	7,500
5380	Special & Professional Services	7,700 (Sch. 12)	7,700
5390	Protective Services		
5400	Telephone	7,000	7,000
5410	Postage & Freight Out	1,200	1,200
5420	Data Processing	5,000	5,000
5430	Printing & Office Supplies	5,800	5,800
5440	Scientific & Photographic	300	300
5450	Dues & Subscriptions	3,000	3,000
5460	Advertising & Promotional	2,000	2,000
5470	Travel & Subsistence	1,000	1,000
5480	Staff Training & Tuition Aid	12,400	12,400
5490	Fees & Permits	7,700	7,700
5500	In - Lieu Taxes		
5510	Residual Removal		
5520	Water Treatment Chemicals		
5525	GAC Replacement		
	SUB-TOTAL G&A EXPENSE BUDGET	<u>\$ 238,500</u>	<u>\$ 242,500</u>
	TOTAL G&A WITH SALARIES & FRINGE	<u>\$ 3,237,800</u>	<u>\$ 3,399,100</u>

Allocation of Direct General & Administrative Expense Budget - See Appendix I for basis of Allocation.
(Page 6, Columns 2, 3, & 4)

Reservoir System	\$ 139,086	\$ 141,339
Treatment/Transmission System	<u>\$ 99,414</u>	<u>\$ 101,161</u>
Total	<u>\$ 238,500</u>	<u>\$ 242,500</u>

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN RESERVOIR SYSTEM

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

FISCAL YEAR 2022
(7/01/21-6/30/22)

	Total Headquarters Charge	Manasquan Reservoir System	Manasquan WTP/TS
Budgeted-Appendix I, amount to be charged to Manasquan System for FY22 (7/1/21-6/30/22)	\$732,719	\$632,117	\$100,602
F/Y20 Adjustment as per audited Expenditures:			
Budgeted as per rate schedule for F/Y20 (7/1/19-6/30/20). Amounts paid during F/Y20 to Raritan Basin System.	\$660,000	\$568,000	\$92,000
Actual allocation based upon audited expenditures F/Y20 (7/1/19-6/30/20) - Appendix II	<u>\$601,323</u>	<u>\$518,747</u>	<u>\$82,576</u>
Adjustments F/Y20	<u>(\$58,677)</u>	<u>(\$49,253)</u>	<u>(\$9,424)</u>
Net Allocation for F/Y2022 Budget	<u><u>\$674,042</u></u>	<u><u>\$582,864</u></u>	<u><u>\$91,178</u></u>
Estimate	<u>\$674,000</u>	<u>\$583,000</u>	<u>\$92,000</u>

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN RESERVOIR SYSTEM

LABOR PROJECTION

FISCAL YEAR 2022
(7/01/21-6/30/22)

TITLES	RANGE	SALARY	FRINGE BENEFITS	OVERTIME	CLOTHING ALLOWANCE	SHIFT DIFFERENTIAL	TOTAL	ALLOCATION	ALLOCATION	AMOUNT RESERVOIR	WTP/TS %	AMOUNT WTP/TS
								RESERVOIR %	WTP/TS %			
Director	36	137,400	76,412	-	-	-	213,812	50%		106,910	50%	106,900
Project Engineer II	26	94,300	52,442	-	-	-	146,742	51%		75,229	49%	71,511
Water Supply Tech.	17	66,500	37,288	-	550	-	104,338	62%		64,671	38%	39,669
Administrative Assistant	18	70,600	39,335	129	-	-	110,064	50%		55,100	50%	54,930
Supervisor Technical Facilities Maint	23	88,600	53,849	7,678	550	-	150,677	47%		70,055	54%	80,645
Sr. Water Supply Tech.	20	77,300	43,789	889	550	-	122,528	43%		52,676	57%	69,865
Maintenance Worker I	10	48,600	27,334	-	550	-	76,484	93%		71,394	7%	5,086
Supervisor Operations	29	113,400	63,065	-	-	-	176,465	25%		43,283	76%	133,177
Equipment Operator	12	48,100	27,249	347	550	-	76,246	94%		71,570	6%	4,630
Foreman Bldg & Grounds Maint	19	77,300	43,572	499	550	-	121,921	94%		114,138	6%	7,782
Foreman Facilities Maintenance	20	77,000	44,114	1,774	550	-	123,438	47%		57,803	53%	65,657
Facilities Mechanic (3 Positions)	18	199,100	112,670	1,849	1,650	-	315,269	48%		151,135	52%	164,085
Supervisor Plant Operator	22	83,600	48,910	3,797	550	-	136,857	37%		50,325	63%	86,535
Maintenance Worker I Operations	10	48,600	27,371	67	550	-	76,588	92%		70,295	8%	6,325
Reservoir System Operator (5 Positions)	15	236,600	148,921	26,533	2,750	1,900	416,704	97%		405,717	3%	10,953
Asst. Reservoir System Operator	13	-	-	-	-	-	-	95%		-	5%	-
Plant Operator (3 Positions)	20	220,200	142,005	33,496	1,650	-	397,351	6%		23,811	94%	373,539
Plant Operator (3 Positions)	19	217,500	139,779	32,193	1,650	-	391,122	5%		19,321	95%	371,809
TOTAL: (rounded)		<u>1,904,700</u>	<u>1,128,100</u>	<u>109,250</u>	<u>12,650</u>	<u>1,900</u>	<u>3,156,600</u>			<u>1,503,432</u>		<u>1,653,098</u>

TOTAL = 27 Positions

NOTE: A. PERCENTAGES ARE FROM THE AVERAGE OF FISCAL YEARS 2015 THROUGH 2018 BASED ON ACTUAL TIME RECORDS.
B. PLANT OPERATOR TIME STUDY PERCENTAGES WERE ADJUSTED TO ACCOUNT FOR THE VALUE OF THE SHIFT DIFFERENTIAL PROVIDED TO THE RESERVOIR

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN RESERVOIR SYSTEM

**DIRECT EXPENSE BUDGET (40) PROPOSED OPERATING EXPENSE BUDGET FOR FISCAL
YEAR 2022 AND EXPENDITURES THROUGH 3/31/21 FOR FISCAL YEAR 2021**

CODE	ACCOUNT	ADOPTED BUDGET FY21	PROPOSED BUDGET FY22	EXPENDITURES THRU 3/31/21
5200	ON-SITE RESIDENCE			
5210	HEATING FUEL	800	900	805
5220	UTILITIES-ELECTRICAL SERVICE	90,500	90,500	59,912
5230	UTILITIES-GAS SERVICE & WATER	8,000	8,000	7,059
5240	UTILITIES-PROPANE			
5250	ELECTRICITY FOR PUMPING	305,000	305,000	191,493
5260	VEHICULAR FUEL			
5270	OIL & GREASE			
5280	TIRES			
5290	MAINTENANCE SUPPLIES	4,000	4,000	7,315
5300	MAINT. SUPPLIES-VEHICULAR EQUIPMENT			
5310	MAJOR SPECIAL VEHICLE SERVICE & REPAIR			
5320	AGRICULTURAL SUPPLIES			
5330	MAINTENANCE OF EQUIPMENT	51,500	51,500	23,639
5340	SERVICE & MAINTENANCE CONTRACTS	43,450	43,450	2,695
5350	EQUIPMENT RENTAL	6,500	6,500	8,579
5360	HOUSEHOLD-SAFETY & PROTECTIVE SUPPLIES	1,000	1,000	369
5370	UNIFORMS			
5380	SPECIAL & PROFESSIONAL SERVICES	138,686	138,686	51,036
5390	PROTECTIVE SERVICES	266,200	328,564	215,787
5400	TELEPHONE	8,000	8,000	7,617
5410	POSTAGE & FREIGHT			
5420	DATA PROCESSING			
5430	PRINTING & OFFICE SUPPLIES	1,500	1,500	136
5440	SCIENTIFIC & PHOTOGRAPHIC	5,500	5,500	700
5450	DUES & SUBSCRIPTIONS			
5460	ADVERTISING	2,000	2,000	704
5470	TRAVEL & SUBSISTENCE			
5480	STAFF TRAINING & TUITION AID			255
5490	FEES & PERMITS	36,500	37,500	31,840
5500	IN-LIEU TAXES	36,800	36,800	36,756
5510	SEDIMENT REMOVAL		47,000	
TOTALS		\$1,005,936	\$1,116,400	\$646,697

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN RESERVOIR SYSTEM

**GENERAL & ADMINISTRATIVE EXPENSE BUDGET (60) PROPOSED OPERATING
EXPENSE BUDGET FOR FISCAL YEAR 2022 AND EXPENDITURES THROUGH 3/31/21 FOR
FISCAL YEAR 2021**

ACCOUNT	ADOPTED BUDGET FY21	PROPOSED BUDGET FY22	EXPENDITURES THRU 3/31/21
REGULAR SALARIES & WAGES	\$1,835,950	\$1,919,250	\$1,276,493
OVERTIME-SALARIES & WAGES	109,250	109,250	52,272
FRINGE BENEFITS	949,300	964,600	652,189
RETIREE HEALTH BENEFITS	99,800	158,500	102,169
WORKERS' COMP. (SELF INSURED)	5,000	5,000	(7,870)
TOTAL SALARY, OVERTIME & FRINGE BENEFITS	\$2,999,300	\$3,156,600	\$2,075,252
ON-SITE RESIDENCE (WINDELER HOUSE)			
HEATING FUEL			
UTILITIES-ELECTRICAL SERVICE			
UTILITIES-GAS SERVICE & WATER			
UTILITIES-PROPANE			
ELECTRICITY FOR PUMPING			
VEHICULAR FUEL	22,750	22,750	10,466
OIL & GREASE	5,700	5,700	1,596
TIRES	7,000	7,000	2,523
MAINTENANCE SUPPLIES	27,300	27,300	8,642
MAINT. SUPPLIES-VEHICULAR EQUIPMENT	10,600	10,600	13,663
MAJOR SPECIAL VEHICLE SERVICE & REPAIR	52,000	52,000	38,068
AGRICULTURAL SUPPLIES	8,600	8,600	2,801
MAINTENANCE OF EQUIPMENT	17,100	17,100	3,502
SERVICE & MAINTENANCE CONTRACTS	22,550	26,550	10,800
EQUIPMENT RENTAL	4,300	4,300	1,774
HOUSEHOLD-SAFETY & PROTECTIVE SUPPLIES	7,500	7,500	7,165
UNIFORMS			
SPECIAL & PROFESSIONAL SERVICES	7,700	7,700	2,344
PROTECTIVE SERVICES			
TELEPHONE	7,000	7,000	4,100
POSTAGE & FREIGHT	1,200	1,200	550
DATA PROCESSING	5,000	5,000	2,091
PRINTING & OFFICE SUPPLIES	5,800	5,800	1,993
SCIENTIFIC & PHOTOGRAPHIC	300	300	0
DUES & SUBSCRIPTIONS	3,000	3,000	0
ADVERTISING	2,000	2,000	0
TRAVEL & SUBSISTENCE	1,000	1,000	336
STAFF TRAINING & TUITION AID	12,400	12,400	3,299
FEES & PERMITS	7,700	7,700	2,772
IN-LIEU TAXES			
SEDIMENT REMOVAL			
SUB TOTALS	\$238,500	\$242,500	\$118,486
TOTALS	\$3,237,800	\$3,399,100	\$2,193,738

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN RESERVOIR WATER SUPPLY SYSTEM

**LIST OF CATEGORY 5340 ITEMS RECOMMENDED SERVICE & MAINTENANCE CONTRACTS
FOR RESERVOIR (40)**

FISCAL YEAR 2022

	Adopted F/Y21	Proposed F/Y22
	<u> </u>	<u> </u>
1 HVAC/Dehumidifier Service	\$ 500	\$ 500
2 Instrumentation & Control System Service/Upgrade	3,000	3,000
3 Electrical Upgrade & Repair	14,000	14,000
4 Overhead Crane Service & Inspection	3,000	3,000
5 Fire & Intrusion Alarm Service	1,500	1,500
6 Potable Well/Septic Service	1,500	1,500
7 Fertilization-Dam Dike	3,750	3,750
8 Roadway Crack Sealing	3,000	3,000
9 Wood Debris Removal	2,500	2,500
10 Access Roadway Repairs	2,500	2,500
11 Roofing System Maintenance & Repair	4,000	4,000
12 Reservoir Transmission Line Clearing	3,000	3,000
13 Fios Fiber Optic for Security Cameras	<u>1,200</u>	<u>1,200</u>
Total Service & Maintenance Contracts	<u>\$ 43,450</u>	<u>\$ 43,450</u>

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN RESERVOIR WATER SUPPLY SYSTEM

**LIST OF CATEGORY 5340 ITEMS RECOMMENDED SERVICE & MAINTENANCE CONTRACTS
FOR G & A (60)**

FISCAL YEAR 2022

	Adopted F/Y21	Proposed F/Y22
	<u> </u>	<u> </u>
1 Refuse & Waste Disposal	\$ 2,000	\$ 2,000
2 Office Equipment/Computers	1,800	1,800
3 Waste Oil Disposal	200	200
4 Fire Extinguisher Service	1,100	1,100
5 UST Monitor Service	2,000	2,000
6 Building Maintenance	1,750	1,750
7 Internet Service	2,000	2,000
8 Janitorial Service	8,000	8,000
9 Vehicle Lift Inspection	500	500
10 Generator Service & Maintenance	2,000	2,000
11 Forklift Service & Maintenance	1,200	1,200
12 Underground Fuel Storage Tank Service	<u>-</u>	<u>4,000</u>
Total Service & Maintenance Contracts	<u>\$ 22,550</u>	<u>\$ 26,550</u>

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN RESERVOIR WATER SUPPLY SYSTEM

**LIST OF CATEGORY 5380 ITEMS RECOMMENDED SPECIAL & PROFESSIONAL SERVICES FOR
RESERVOIR (40)**

FISCAL YEAR 2022

		Adopted F/Y21	Proposed F/Y22
1	Laboratory Services - Water Quality Sampling	\$ 10,000	\$ 10,000
2	Consultant Services - Dam Inspection	15,000	15,000
3	Services-USGS Cooperative Agreement	34,000	34,000
4	Annual Trustee Fund	9,500	9,500
5	Dam Management-Surveying	2,500	2,500
6	Wetland Monitoring Management	8,000	8,000
7	Lake Management Consultants	20,000	20,000
8	Engineering Services	4,000	4,000
9	Financial Advisory Services	4,850	4,850
10	USGS Gaging Station Squankum	30,836	30,836
	Total Special & Professional Services	\$ 138,686	\$ 138,686

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN RESERVOIR WATER SUPPLY SYSTEM

**LIST OF CATEGORY 5380 ITEMS RECOMMENDED SPECIAL & PROFESSIONAL SERVICES
FOR G & A (60)**

FISCAL YEAR 2022

	Adopted F/Y21	Proposed F/Y22
	<u> </u>	<u> </u>
1 Pulmonary Testing	\$ 1,500	\$ 1,500
2 CDL Medical Testing	1,000	1,000
3 EAS Service	4,000	4,000
4 Pre-Employment Physicals	<u>1,200</u>	<u>1,200</u>
Total Special & Professional Services	<u><u>\$ 7,700</u></u>	<u><u>\$ 7,700</u></u>

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN RESERVOIR WATER SUPPLY SYSTEM

PROPOSED CAPITAL EQUIPMENT BUDGET

FISCAL YEAR 2022

Description	(A)Addition (R)Replacemer	Year of Purchase Vehicle/Equipment	Dollar Value	%	Manasquan		Reservoir	WTP/TS
					Reservoir	WTP/TS	Depreciation Reserve	Depreciation Reserve
REPLACE VEHICLE 65 CHEVY SILVERADO Z71	R	2007	53,000	50/50	26,500	26,500	8,846	5,897
BARNSTEAD MP3A GLASS STILL	A		10,000	0/100	0	10,000		
TOTAL			63,000		26,500	36,500	8,846	5,897
*Per Resolution #861, dated 7/12/93 Asset Definition minimum is \$1,000.					0			
Less Amount charged to Reservoir Depreciation Reserve					8,846			
Less Amount charged to WTP/TS Depreciation Reserve						5,897		
Total					17,654	30,603		
Additional Depreciation Reserve						0		
Estimate					\$17,700	\$30,603		

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN RESERVOIR WATER SUPPLY SYSTEM

PROJECTED FY 2022 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 Deduct: \$100k all perils	\$581,916	\$254,075	\$75,585	\$911,576
General/Products Liability Limit \$1 million Deduct: \$150k	\$121,481	\$11,358	\$2,359	\$135,198
Environmental Impairment Liability Limit \$10 million Deduct: \$100k	\$24,261	\$2,268	\$471	\$27,000
Workers' Compensation Limit \$1 million	\$153,012	\$22,554	\$24,434	\$200,000
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	\$319,971	\$29,915	\$6,211	\$356,098
Business Automobile Limit: \$1 million G/L, \$0 pd Deduct: \$50k, G/L	\$27,363	\$3,662	\$1,240	\$32,264
Management Liability				
Public Officials Liability	\$43,553	\$4,072	\$845	\$48,470
Cyber Risk	\$6,386	\$597	\$124	\$7,107
Fidelity & Crime			\$2,453	\$2,453
Limit \$5 million/\$1million/\$1 million Deduct: \$100k/\$10k/\$50k	<u>\$49,939</u>	<u>\$4,669</u>	<u>\$3,422</u>	<u>\$58,031</u>
Travel Accident Limit \$2 million	\$674	\$63	\$13	\$750
TOTAL:	<u>\$1,278,616</u>	<u>\$328,564</u>	<u>\$113,736</u>	<u>\$1,720,916</u>

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN RESERVOIR WATER SUPPLY SYSTEM

**UNANTICIPATED REVENUE - FUNDS TO BE APPROPRIATED INTO RATE STABILIZATION
FUND FOR FISCAL YEAR 2022**

	<u>Amount</u>																				
F/Y2020 Net Year-End Balance	\$ 256,000																				
Excess D/S Coverage FY2021	\$ 116,000																				
<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 25%; text-align: center;"><u>Overdraft</u></th> <th style="width: 25%; text-align: center;"><u>Invoice No.</u></th> <th style="width: 20%; text-align: center;"><u>Inv. Date</u></th> <th style="width: 30%; text-align: right;"><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td>NJ American</td> <td>MM-352</td> <td style="text-align: center;">Jan-20</td> <td style="text-align: right;">\$ 18,830</td> </tr> <tr> <td></td> <td>MM-358</td> <td style="text-align: center;">Mar-20</td> <td style="text-align: right;">\$ 9,791</td> </tr> <tr> <td></td> <td>MM-359</td> <td style="text-align: center;">Apr-20</td> <td style="text-align: right;">\$ 7,575</td> </tr> <tr> <td></td> <td>MM-361</td> <td style="text-align: center;">May-20</td> <td style="text-align: right;">\$ 1,377</td> </tr> </tbody> </table>	<u>Overdraft</u>	<u>Invoice No.</u>	<u>Inv. Date</u>	<u>Amount</u>	NJ American	MM-352	Jan-20	\$ 18,830		MM-358	Mar-20	\$ 9,791		MM-359	Apr-20	\$ 7,575		MM-361	May-20	\$ 1,377	
<u>Overdraft</u>	<u>Invoice No.</u>	<u>Inv. Date</u>	<u>Amount</u>																		
NJ American	MM-352	Jan-20	\$ 18,830																		
	MM-358	Mar-20	\$ 9,791																		
	MM-359	Apr-20	\$ 7,575																		
	MM-361	May-20	\$ 1,377																		
Used in FY21	\$ -																				
Available for use in FY22	\$ 37,573																				

Additional Sources

Total Available	<u>\$ 409,573</u>
Estimate for FY22	<u>\$ 409,570</u>
Available for Future Years	\$ -

NEW JERSEY WATER SUPPLY AUTHORITY
 MANASQUAN WATER SUPPLY SYSTEM
 MANASQUAN RESERVOIR SYSTEM

DEFINITIONS AND EXPLANATION OF THE FISCAL YEAR 2022 OPERATING EXPENSE ACCOUNTS

**ACCOUNT
CODE**

TITLE

5110 SALARIES AND WAGES

The following is a comparison of the subject expenditures for FISCAL YEAR 2022.

	Adopted F/Y21	Proposed F/Y22
Budgeted Positions	27	27
Expenditures:		
Regular Salaries	\$1,835,950	\$1,919,250
Overtime	109,250	109,250
Fringe Benefits	949,300	964,600
Retiree Health Benefits	99,800	158,500
Worker's Compensation (self-insured)	5,000	5,000
Total Salaries and Fringe Benefits	\$2,999,300	\$3,156,600
Allocation to Reservoir	\$1,415,500	\$1,503,500
Anticipated Increase for F/Y22	\$88,000	

5120- OVERTIME
5140

5150 FRINGE BENEFITS

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

The fringe benefit account specifically covers 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 allowances for unused sick leave and vacation balances upon retirement and annual allowances required by union agreement.

5210 HEATING FUEL

This account covers the cost of heating oil.

DEFINITIONS AND EXPLANATION OF THE FISCAL YEAR 2022 OPERATING EXPENSE ACCOUNTS

<u>ACCOUNT CODE</u>	<u>TITLE</u>
5220	<u>UTILITIES - ELECTRICAL SERVICE (OTHER THAN PUMPING)</u> This account covers facilities electrical usage at the Administration Building, Reservoir Pump Station, Flow Meter/Valve Chamber, Inlet/Outlet Tower, On-Site Residences, and access roadway lighting for security and safety purposes.
5230	<u>NATURAL GAS</u> This account covers the cost of heating portions of the Administration Building.
5240	<u>PROPANE</u> This account covers the cost of propane fuel.
5250	<u>ELECTRICITY FOR PUMPING</u> This account covers the cost of electricity to operate pumps at the Intake Pump Station and Reservoir Pump Station.
5260	<u>VEHICULAR FUEL</u> This account covers the cost of unleaded regular and diesel fuel used by the Authority's motor vehicle fleet.
5270	<u>OIL AND GREASE</u> This account covers the amount of oil and grease used by the Authority's motor vehicles and equipment. Also included in this account are mineral oil and those specialty oils used in the pumps and motors at the Intake Pump Station, Reservoir Pump Station, Flow Meter/Valve Chamber, Inlet/Outlet Tower and Water Treatment Plant.
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, paint and related products, plumbing, (heating and cooling) products, insulation products, electrical items, lighting supplies, fixtures, signs, posts, fencing and fencing material, road, ditch, culvert and bank repair materials, emergency response supplies, small hand and power tools and welding gases.

DEFINITIONS AND EXPLANATION OF THE FISCAL YEAR 2022 OPERATING EXPENSE ACCOUNTS

<u>ACCOUNT CODE</u>	<u>TITLE</u>
5300	<p><u>MAINTENANCE SUPPLIES - VEHICULAR EQUIPMENT</u></p> <p>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.</p>
5310	<p><u>MAJOR - SPECIALIZED VEHICLE SERVICE AND REPAIR</u></p> <p>This account is a supplement to account code 5300 and includes those services requiring vendors specializing in items such as body and fender work, major repairs to transmissions, front end alignments, radiator repairs and major power train overhauls. This account also includes vehicle and equipment preventive maintenance labor costs as performed by Raritan Basin System personnel or by a vendor.</p>
5320	<p><u>AGRICULTURE SUPPLIES</u></p> <p>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.</p>
5330	<p><u>MAINTENANCE OF EQUIPMENT</u></p> <p>This account covers normal repair and service to calculators, typewriters and other office machines and furniture which are not covered under service and maintenance of radio equipment. Also included in this account is maintenance of radio equipment, building maintenance, repairs to engineering and surveying equipment, service to system components of Intake and Reservoir Pumping Stations, Flow Meter/Valve Chamber, Inlet/Outlet Tower, confined space entry equipment, telemarks, recorders and flow meters and all spare parts needed at the reservoir system facilities to sustain continuous and dependable operations.</p>
5340	<p><u>SERVICE AND MAINTENANCE CONTRACTS</u></p> <p>This account covers the contracts used for servicing plumbing (heating and cooling), electrical and instrumentation equipment, fire and intrusion alarms, appliances, exterminators, overhead cranes, well and septic systems, UST monitoring system, embankment fertilization, 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.</p>
5350	<p><u>EQUIPMENT RENTAL</u></p> <p>This account covers the rental of specialized construction equipment such as pumps, compressors, etc., specialized office equipment, pagers, entry rugs, the postage machine, the parts washer, and gas cylinders.</p>

DEFINITIONS AND EXPLANATION OF THE FISCAL YEAR 2022 OPERATING EXPENSE ACCOUNTS

<u>ACCOUNT CODE</u>	<u>TITLE</u>
5360	<p><u>HOUSEHOLD, SAFETY AND PROTECTIVE SUPPLIES</u></p> <p>This account covers the cost of materials and supplies of a consumable nature. Covered in this account are such items as janitorial and sanitary supplies, locks and keys, fire extinguishers, first aid and safety supplies, film rentals and related costs for in-house programs, and materials handling and labeling supplies.</p>
5380	<p><u>SPECIAL AND PROFESSIONAL SERVICES</u></p> <p>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, laboratory services, gaging station agreement, CSL testing service, employee assistance services, etc.</p>
5390	<p><u>PROTECTIVE SERVICES</u></p> <p>This account covers the yearly cost of insurance premiums prorated to the Manasquan Reservoir System, covering General Liability, Workmen’s Compensation, Vehicular, etc.</p>
5400	<p><u>TELEPHONE</u></p> <p>This account covers direct telephone charges including charges for repairs, equipment rental and related expenses.</p>
5410	<p><u>POSTAGE AND FREIGHT</u></p> <p>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.</p>
5420	<p><u>DATA PROCESSING</u></p> <p>This account covers charges for production of payrolls and required reports under contract with ADP.</p>
5430	<p><u>PRINTING AND OFFICE</u></p> <p>This account covers the cost of computer supplies, computer software, letterhead, envelopes, publication costs and forms, archiving of our records, duplication products and all other stationery materials and supplies necessary for the operation of the office. Items that are classified as furniture and equipment with a value of \$1,000 or more are not to be included in this account. Items ordered directly from a vendor or withdrawn from inventory shall be included in this account.</p>

DEFINITIONS AND EXPLANATION OF THE FISCAL YEAR 2022 OPERATING EXPENSE ACCOUNTS

<u>ACCOUNT CODE</u>	<u>TITLE</u>
5440	<p><u>SCIENTIFIC AND PHOTOGRAPHIC</u></p> <p>This account covers the cost of video and photographic supplies, blueprinting supplies, laboratory supplies, surveying and engineering supplies and recording charts and pens.</p>
5450	<p><u>DUES AND SUBSCRIPTION</u></p> <p>This account covers the cost of subscriptions to newspapers, magazines, periodicals, reference books, other publications and membership fees in professional societies and associations.</p>
5460	<p><u>ADVERTISING</u></p> <p>This account covers the cost of legal and classified advertising in newspapers for bids, recruiting, and public notifications.</p>
5470	<p><u>TRAVEL AND SUBSISTENCE</u></p> <p>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 expenses, employee allowances, staff and departmental meal expenses.</p>
5480	<p><u>STAFF TRAINING AND TUITION AID</u></p> <p>This account provides funds for employees' attendance at various technically related and approved courses, training programs, conferences, etc.</p>
5490	<p><u>FEES AND PERMITS</u></p> <p>This account covers the estimated cost of fees for UST registration, physical connection, water diversion and stream encroachment permits from the NJDEP and small unclassified items such as notaries, hearing rooms and transcripts, easement renewals, vehicle and equipment registrations, etc.</p>
5500	<p><u>IN-LIEU TAXES</u></p> <p>This account covers the funds for Reservoir and Intake Facilities in-lieu tax payment.</p>
5510	<p><u>SEDIMENT REMOVAL</u></p> <p>This account covers the yearly costs associated with residuals handling, removal, moisture reduction and ultimate disposal as it pertains to river sediment.</p>

DESCRIPTION OF RESERVE ACCOUNTS

Self Insurance Reserve (Liability)

This reserve is used to cover any excess liability payment above the Self-Insurance Retainer. Therefore, a Self-Insurance Fund was established and fully funded at \$250,000.

Depreciation Reserve Account

This reserve is intended to provide for the 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 useful lives of three to ten years, depending upon the nature of this equipment. Depreciation has been determined for each such asset. These funds are needed to cushion the impact of replacement equipment purchases in order to provide more stable rates.

Reserve for Operations and Maintenance

A working cash reserve must be established at a level which reflects the amount of the regular annual operating costs plus an allowance for possible extraordinary requirements. The level of this reserve shall not exceed 25 percent of the amount appropriated by the Annual Budget for Operations and Maintenance Expenses for the current fiscal year.

Renewal and Replacement Reserve

The Renewal and Replacement Reserve is to be used for costs of Capital Improvements including repairs to facilities not covered by insurance and payment of extraordinary O & M costs. As per the terms of the project financing this Reserve is to be funded by the excess Debt Service Coverage revenues after 50 percent of the Debt Service Reserve amount has been accumulated.

Sediment Reserve

This reserve account is intended to provide in case extraordinary expenses are encountered with the sediment removal process from within the Intake Pumping Station. The reserve account may also be used to offset costs of future sediment removal projects from the Manasquan River or the sediment intake pool. The reserve account also provides funds that may be necessary to landfill the sediments if quality testing demonstrates some problem material. The reserve account has been determined to be held at a level near \$100,000.

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.

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.

NEW JERSEY WATER SUPPLY AUTHORITY



RARITAN BASIN SYSTEM

FISCAL YEAR 2022 BUDGET

(July 1, 2021 - June 30, 2022)

NEW JERSEY WATER SUPPLY AUTHORITY
RARITAN BASIN SYSTEM

PROPOSED

FISCAL YEAR 2022 BUDGET
(July 1, 2021 – June 30, 2022)

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NEW JERSEY WATER SUPPLY AUTHORITY
RARITAN BASIN SYSTEM

PROPOSED FISCAL YEAR 2022 BUDGET SUMMARY

(7/1/21-6/30/22)

	ADOPTED F/Y2021 BUDGET	PROPOSED F/Y2022 BUDGET
Proposed Operating Expense Budget (Schedule 3)	\$ 13,936,857	\$ 14,298,436
Proposed Capital Equipment Budget (Schedule 5)	294,700	368,900
Allocation of Headquarters General & Administrative Expenses to the Manasquan Reservoir System (Schedule 1)	(629,000)	(674,000)
Total Operating Expense Budget & Capital Equipment Budget	\$ 13,602,557	\$ 13,993,336
Contributions to Debt Service and Reserve Funds		
Depreciation Reserve	\$ -	\$ -
Other Post Employment Benefits Reserve	-	-
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)	5,692,172	5,657,067
Capital Fund Component	2,196,442	2,196,273
Source Water Protection Component	1,597,412	1,597,290
Total Contributions to Debt Service and Reserve Funds	\$ 9,796,026	\$ 9,760,630
Total Proposed Budget	\$ 23,398,583	\$ 23,753,966
Revenues		
Operating and Maintenance Component	\$ 12,927,307	\$ 12,961,146
NJEIFP Debt Service	5,692,172	5,657,067
Capital Fund Component	2,196,442	2,196,273
Source Water Protection Program Component	1,597,412	1,597,290
Funds to be Appropriated from Rate Stabilization Fund (Schedule 2)	851,650	1,262,390
Employee Housing	47,200	47,200
Receivable from State of NJ	5,000	-
Interest Earnings	81,400	32,600
Total Revenue	\$ 23,398,583	\$ 23,753,966

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
FY2006-FY2022**

Effective Date	O&M Charge	1981 Bond Charge 7/1/86-10/30/06	1998 Bond Charge 8/1/98-11/1/13	NJEIFP/NJIB Debt Component	Capital Fund Component	Source Water Protection Component	Total Charge per MG	Percent Increase -Decrease
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%
July 1, 2017	194.00			85.00	33.00	24.00	336.00	32.81%
July 1, 2018	194.00			85.00	33.00	24.00	336.00	0.00%
July 1, 2019	194.00			85.00	33.00	24.00	336.00	0.00%
July 1, 2020	194.00			85.00	33.00	24.00	336.00	0.00%
July 1, 2021	194.00			85.00	33.00	24.00	336.00	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 2022
(7/1/21-6/30/22)

	Total Headquarters Charge	Manasquan Reservoir System	Manasquan WTP/TS
Budgeted-Appendix I, amount to be charged to Manasquan System for FY22 (7/1/21-6/30/22)	\$732,719	\$632,117	\$100,602
F/Y20 Adjustment as per audited Expenditures:			
Budgeted as per rate schedule for F/Y20 (7/1/19-6/30/20). Amounts paid during F/Y20 to Raritan Basin System.	\$660,000	\$568,000	\$92,000
Actual allocation based upon audited expenditures F/Y20 (7/1/19-6/30/20) - Appendix II	<u>\$601,323</u>	<u>\$518,747</u>	<u>\$82,576</u>
Adjustments F/Y20	<u>(\$58,677)</u>	<u>(\$49,253)</u>	<u>(\$9,424)</u>
Net Allocation for F/Y2022 Budget	<u><u>\$674,042</u></u>	<u><u>\$582,864</u></u>	<u><u>\$91,178</u></u>
 Estimate	 <u>\$674,000</u>	 <u>\$583,000</u>	 <u>\$92,000</u>

NEW JERSEY WATER SUPPLY AUTHORITY
RARITAN BASIN SYSTEM

UNANTICIPATED REVENUE

FUNDS TO BE APPROPRIATED INTO THE RATE STABILIZATION FUND FOR FISCAL YEAR 2022

	<u>Amount</u>
F/Y2020 Net Year-End Balance	\$950,000

<u>Overdrafts</u>	<u>Invoice No.</u>	<u>Billed</u>	<u>Amount</u>
Hunterdon County -Heron Glen	R276	Nov-19	\$107
NJ American	R274	Nov-19	\$91,046
Roxiticus	R279	Nov-19	\$466
Somerset County Golf	R277	Nov-19	\$200
Stonebridge Community Assoc.	R275	Nov-19	\$2,031
Trump GC	R280	Nov-19	\$1,449
Village Grande	R278	Nov-19	\$521
Mount Olive		Sep-20	\$9
Mount Olive		Sep-20	\$110
Mount Olive		Sep-20	\$146
NJ American		Sep-20	\$40,167
NJ American		Sep-20	\$175,541
Stonebridge Community Assoc.		Sep-20	\$27
Roxbury		Sep-20	\$110
Somerset County Golf		Sep-20	\$465
		Total	\$312,394
		Amount used in FY2021	-
		NET	\$312,394

Overdrafts Not Billed, Accrued through July, 2020

Renaissance at Monroe
NJ American

Other Sources of Funds

Grand Total	\$1,262,394
FY22 Budget	\$1,262,390

Schedule 3

NEW JERSEY WATER SUPPLY AUTHORITY
RARITAN BASIN SYSTEM

**PROPOSED OPERATING EXPENSE BUDGET FOR FISCAL YEAR 2022 AND EXPENDITURES
THROUGH 3/31/21 FOR FISCAL YEAR 2021**

CODE	ACCOUNT	ADOPTED BUDGET FY21	PROPOSED BUDGET FY22	EXPENDITURES THRU 3/31/21
5110	Regular Salaries & Wages	\$6,475,650	\$6,640,500	\$4,266,228
5120	Overtime-Salaries & Wages	269,270	254,555	170,913
5150	Fringe Benefits	3,120,000	3,322,800	2,048,314
5160	Retiree Health Benefits	539,500	544,000	452,531
5168	Workers' Comp. (Self Insured)	10,000	10,000	0
	Total Salary, Overtime & Fringe Benefits	\$10,414,420	\$10,771,855	\$6,937,987
5200	Residences	\$19,600	\$19,600	\$13,805
5210	Heating Fuel	93,500	80,250	56,739
5220	Utilities-Electrical Service	102,900	102,500	84,908
5230	Utilities-Gas Service & Water	5,200	5,500	4,980
5240	Utilities-Propane	500	500	244
5250	Electricity For Pumping	87,000	83,400	44,230
5260	Vehicular Fuel	121,875	109,688	40,531
5270	Oil & Grease	12,100	12,500	8,638
5280	Tires	23,000	25,000	9,749
5290	Maintenance Supplies	194,600	198,100	119,101
5300	Maint. Supplies-Vehicular Equipment	57,500	59,000	34,358
5310	Major Special Vehicle Service & Repair	85,000	85,000	66,679
5320	Agricultural Supplies	7,000	8,000	2,902
5330	Maintenance Of Equipment	50,900	64,200	18,767
5340	Service & Maintenance Contracts	287,356	304,696	171,622
5350	Equipment Rental	55,850	65,650	28,685
5360	Household-Safety & Protective Supplies	39,500	40,600	34,856
5370	Uniforms	8,660	8,900	1,724
5380	Special & Professional Services	591,136	581,536	357,644
5390	Protective Services	1,251,100	1,278,616	822,827
5400	Telephone	85,200	88,200	38,744
5410	Postage & Freight	5,620	5,620	6,475
5420	Data Processing	27,420	27,420	19,348
5430	Printing & Office Supplies	85,050	45,550	14,974
5440	Scientific & Photographic	6,500	6,500	325
5450	Dues & Subscriptions	42,220	41,525	24,412
5460	Advertising & Promotional	11,500	11,200	8,118
5470	Travel & Subsistence	6,580	6,680	113
5480	Staff Training & Tuition Aid	25,450	26,750	6,835
5490	Fees & Permits	123,920	125,200	109,656
5500	In-Lieu Taxes	8,700	8,700	18,689
	Sub Totals	\$3,522,437	\$3,526,581	\$2,170,680
TOTALS		\$13,936,857	\$14,298,436	\$9,108,667

NEW JERSEY WATER SUPPLY AUTHORITY
RARITAN BASIN SYSTEM

COMPARATIVE STATEMENT FISCAL YEAR 2022

CODE	ACCOUNT	FY'18 ACTUAL	FY'19 ACTUAL	FY'20 ACTUAL	FY'21 ADOPTED	FY'22 PROPOSED
5110	Regular Salaries & Wages	\$5,799,411	\$5,959,265	\$6,020,542	\$6,475,650	\$6,640,500
5120	Overtime-Salaries & Wages	244,222	239,713	151,734	269,270	254,555
5130	New positions-Salaries & Wages	0	0	0	0	0
5162	Retiree Unused Sick & Vacation	0	0	0	0	0
5150	Fringe Benefits	3,633,755	3,047,059	3,178,400	3,120,000	3,322,800
5167	Retiree Health Benefits	821,473	1,498,763	(433,886)	539,500	544,000
5168	Workers Comp. (Self Insured)	493	4,590	3,311	10,000	10,000
	Total Salary & Fringe	10,499,354	10,749,390	8,920,101	10,414,420	10,771,855
Budget Salary & Fringe						
5200	Residences	\$17,161	\$27,122	\$18,485	\$19,600	\$19,600
5210	Heating Fuel	67,502	61,012	47,955	93,500	80,250
5220	Utilities -Electrical Service	98,336	93,556	98,579	102,900	102,500
5230	-Gas Service	4,531	4,571	4,997	5,200	5,500
5240	-Propane	403	457	219	500	500
5250	Electricity for Pumping Station	328,769	59,993	55,878	87,000	83,400
5260	Fuel - Vehicular	116,756	106,304	77,299	121,875	109,688
5270	Oil & Grease	4,033	9,317	7,787	12,100	12,500
5280	Tires	16,056	15,540	25,046	23,000	25,000
5290	Maintenance Supplies	163,391	184,818	166,538	194,600	198,100
5300	Maint. Supplies - Vehicular	61,576	50,108	46,362	57,500	59,000
5310	Major Vehicle Service & Repair	47,127	103,843	68,448	85,000	85,000
5320	Agricultural Supplies	2,317	5,758	5,004	7,000	8,000
5330	Maintenance Equipment	37,388	28,372	43,132	50,900	64,200
5340	Serv. & Maintenance Contracts	228,974	241,120	252,173	287,356	304,696
5350	Equipment Rental	54,332	35,066	56,110	55,850	65,650
5360	Household - Safety Supplies	34,163	39,576	35,372	39,500	40,600
5370	Uniforms	3,213	9,581	6,233	8,660	8,900
5380	Special & Professional Services	506,542	455,218	442,967	591,136	581,536
5390	Protective Services	1,138,434	1,154,913	1,194,269	1,251,100	1,278,616
5400	Telephone	78,449	75,123	58,899	85,200	88,200
5410	Postage & Freight Out	5,718	6,285	3,005	5,620	5,620
5420	Data Processing	35,453	25,995	24,451	27,420	27,420
5430	Printing & Office Supplies	41,272	47,991	32,114	85,050	45,550
5440	Scientific & Photographic	1,174	784	4,194	6,500	6,500
5450	Dues & Subscriptions	35,117	36,715	35,716	42,220	41,525
5460	Advertising & Promotional	5,219	1,966	10,156	11,500	11,200
5470	Travel & Subsistence	3,841	5,433	4,080	6,580	6,680
5480	Staff Training & Tuition Aid	12,460	14,222	15,140	25,450	26,750
5490	Fees & Permits	111,609	118,400	117,155	123,920	125,200
5500	In - Lieu Taxes	18,689	8,703	28,675	8,700	8,700
	Total Other Expenses	\$3,280,008	\$3,027,860	\$2,986,441	\$3,522,437	\$3,526,581
	Total Operating Expenses	\$13,779,362	\$13,777,251	\$11,906,541	\$13,936,857	\$14,298,436
	Annual Increase (Decrease)	-5.29%	-0.02%	-13.59%	1.16%	2.59%
	Budget -other expenses	3,411,337	3,540,285	3,540,285	3,522,437	3,522,437
	ANNUAL BUDGET	\$13,890,887	\$14,238,081	\$14,211,138	\$13,936,857	\$14,298,436

NEW JERSEY WATER SUPPLY AUTHORITY
RARITAN BASIN SYSTEM

PROPOSED CAPITAL EQUIPMENT BUDGET

FOR FISCAL YEAR 2022
(7/1/21-6/30/22)

	Description	(R) Replacement (A) Addition	Year of Purchase	Dollar Value	Depreciation Reserve
ENG/FACILITIES	HONDA 3" GAS POWERED PUMP	A		2,000	
	6" DIESEL POWERED PUMP	A		50,000	
	CORDLESS ROTARY HAMMER	A		2,500	
	1/2 TON PICKUP	A		35,000	
	CARPENTER SHOP AIR FILTER	A		2,750	
GROUNDS	7 TON DECK OVER TRAILER	A		10,000	
	POWER TRAC SLOPE MOWER PT1850	A		45,000	
	90" DECK FOR POWER TRAC W/ FINISHING KIT	A		7,000	
	POST HOLE DRILL HEAD FOR POWERTRAC T3359	A		3,750	
	4x4 FRONT MOUNT MOWER W/DECK	R (2202)	2012	30,000	20,967
	4x4 FRONT MOUNT MOWER W/DECK	R (2211)	2012	30,000	21,407
	4x4 FRONT MOUNT MOWER W/DECK	R (2212)	2012	30,000	15,467
	FULL SIZE WHEEL LOADER	R (2050)	2007	215,000	118,850
	MASON DUMP TRUCK W/PLOW & SPREADER	R (2085)	2008	70,000	89,063
	ATTACHMENT KIT FOR JOHN DEERE SNOW BLOWER	A		5,000	
CANAL	20 TON TRAILER	R (2149)	2010	25,000	15,400
	CHIPPER - DRUM STYLE	R (1975)	2005	65,000	31,189
	TRACTOR W/ ARM MOWER			157,000	
	F-250	R (2239)	2014	42,000	25,862
AUTO SHOP - CANAL	AUTO SHOP LIFT (12,000 LB CAPACITY)	R (1381)	1993	10,000	5,500
	TURF LIFT ACCESSORY KIT FOR NEW LIFT	A		3,500	
	DUAL GAS REFRIGERANT A/C MACHINE	R (1934)	2004	10,000	3,293
	MILLER 252 MIG WELDER	R (1291)	1992	3,500	2,666
IT	(2) DELL OPTIPLEX - IT	R (2250) (2251)	2015	3,600	2,814
	DELL OPTIPLEX - ENG	A		1,800	
SECURITY	NJWA 03 - 4WD PICK-UP	R (2235)	2014	32,000	20,057

	TOTAL COST	\$891,400	\$372,535
LESS AMOUNT CHARGED TO DEPRECIATION RESERVE		(372,535)	
	NET TOTAL	\$518,865	
LESS AMOUNT CHARGED TO CAPITAL EQUIPMENT RESERVE		(\$150,000)	
	TOTAL	\$368,865	
	AMOUNT FUNDED FOR FY2022	\$368,900	

NEW JERSEY WATER SUPPLY AUTHORITY
RARITAN BASIN SYSTEM

LIST OF CATEGORY 5340 ITEMS RECOMMENDED SERVICE & MAINTENANCE CONTRACTS

FISCAL YEAR 2022

	ADOPTED F/Y21	PROPOSED F/Y22
1. Postage/Fax/ Misc. Machines (Dept. 16)	\$ 500	\$ 500
2. IHS-Safety Software (Dept. 17)	2,000	2,000
3. Comodo- Remote Access Certificates (Dept. 17)	300	300
4. WMWARE (Dept. 17)	500	500
5. Sage Clients First MAS 100 (Dept. 17)	5,000	5,300
6. Property Fax - Parcel Maps (Dept. 17)	1,400	1,400
7. Sage Fixed Asset (Dept. 17)	2,600	2,900
8. PV & Associates-Winslamm (Dept. 17)	500	500
9. People Trak Support Technical Difference (Dept. 17)	1,000	500
10. COMCAST - Cable Internet (Dept. 17)	12,000	15,000
11. Essention - Conservation Trak (Dept.17)	5,000	5,000
12. Weebly (Web Hosting at Clinton) (Dept. 17)	200	250
13. Square Space (Web Hosting Watershed) (Dept. 17)	250	250
14. Symantec Anti-Virus Maintenance-Clinton (Dept. 17)	2,500	2,500
15. Sonic Wall Software (Dept. 17)	1,200	1,500
16. ESRI ArcView Maintenance-Watershed (Dept. 17)	5,400	5,400
17. CU Riverware Maintenance Agreement (Dept. 17)	3,500	-
18. KNOWBE4 Internet Security (Dept. 17)	-	1,500
19. Proofpoint Antispam (Dept. 17)	1,500	1,500
20. River Morph (Dept. 17)	500	500
21. DLT Solutions Autocad (Dept. 17)	1,600	2,800
22. Fastrax SBPS Monitoring Software (Dept. 17)	900	900
23. ESRI ArcView Maintenance-Clinton (Dept. 17)	500	500
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	400
27. EZ Watch Security Video (Dept. 17)	900	900
28. Clients First - Server Software (Dept. 17)	1,000	1,000
29. Delmar Enterprises - Key Systems (Dept. 17)	520	520
30. Docusign (Dept. 17)	400	400
31. Wix for Web (Dept. 20)	156	156
32. Janitorial Service (Dept. 20)	3,300	3,300
33. Trimble Catalyst for GPS (Dept. 30)	500	500
34. Refuse Collection (Dept. 31)	7,500	7,500
35. Janitorial Service (Dept. 31)	15,500	24,000
36. HVAC Service (Dept. 31)	5,500	5,500
37. Electrician & Plumber Services (Dept. 31)	5,000	5,000

(continued on next page)

NEW JERSEY WATER SUPPLY AUTHORITY
RARITAN BASIN SYSTEM

LIST OF CATEGORY 5340 ITEMS RECOMMENDED SERVICE & MAINTENANCE CONTRACTS

FISCAL YEAR 2022

	ADOPTED F/Y21	PROPOSED F/Y22
38. Instrumentation Services (Dept. 31)	\$ 4,500	\$ 4,500
39. Entry Rugs (Dept. 31)	5,000	5,000
40. Carpet Cleaning (Dept. 31)	8,000	8,000
41. Generator Service-Administration Building (Dept. 31)	1,200	1,200
42. Underground Plant Location Service Notifications (Dept. 31)	1,500	1,500
43. Crane Service and Inspection (Dept. 31)	2,200	4,000
44. Elevator Service-SBPS (Dept. 31)	2,800	2,800
45. Electrical Service-SBPS (Dept. 31)	20,000	20,000
46. UST Testing and Inspections (Dept. 31)	15,000	15,000
47. Miscellaneous (Dept. 31)	6,900	6,900
48. Janitorial Service (Dept. 32)	8,400	9,600
49. Dumpster Service Canal Office (Dept. 32)	18,000	18,000
50. Dumpster Service Route 1 (Dept. 32)	48,000	48,000
51. UST Service (Dept. 32)	2,500	-
52. Instrumentation Service (Dept. 32)	1,000	3,000
53. One Call Concepts (Dept. 32)	-	2,400
54. Floor Mats (Dept. 32)	2,400	2,400
55. Grass Mowing Service (Dept. 32)	8,000	8,000
56. Boiler Service (Dept. 32)	500	1,000
57. Wood Disposal Fees (Dept. 32)	4,800	4,800
58. Generator Service-Scudders & Perdicaris (Dept. 32)	3,000	3,000
59. Viking Pest (Dept. 32)	600	720
60. Johnny on the Spot - Rt. 202 (Dept. 32)	2,400	2,400
61. Welco Gas (Dept. 33)	1,000	1,000
62. Tree Stump Recycling (Dept. 33)	2,500	2,500
63. Parts Washer & Hazardous Removal (Dept. 34)	1,000	1,000
64. Boom Lift Annual Inspection (Dept. 34)	900	900
65. Recycle Used Vehicle Fluids (Dept. 35)	1,500	400
66. Fire Extinguisher Maintenance (Dept. 36)	9,000	9,000
67. Hazardous Waste Control (Dept. 36)	1,500	1,500
68. Fire Alarm Testing (Dept. 36)	8,000	8,000
69. Vehicle Lifts Annual Testing (Dept. 36)	1,500	1,500
70. Delaware Electric Cellular Service (Dept. 37)	600	800
71. Dial My Calls (Dept. 37)	1,200	1,600
72. Geomoto GPS Tracking (Dept. 37)	1,200	1,200
73. Covert Wireless (Dept. 37)	180	1,200
TOTAL	<u>\$ 287,356</u>	<u>\$ 304,696</u>

NEW JERSEY WATER SUPPLY AUTHORITY
RARITAN BASIN SYSTEM

LIST OF CATEGORY 5380 ITEMS RECOMMENDED PROFESSIONAL SERVICES

FISCAL YEAR 2022

	ADOPTED F/Y21	PROPOSED F/Y22
1. Services-Governor's Authorities Unit (Dept. 10)	\$ 25,000	\$ 23,000
2. Consultant-C.P.A. to Conduct Annual Audit (Dept. 13)	55,000	55,000
3. 125 Plan-Family security Insurance Agency (Dept. 13)	2,730	2,730
4. Archiving (Dept. 13)	6,000	6,000
5. Services-Pre-Employment Exams & Tests (Dept. 14)	3,300	3,300
6. Fidelifax-Background Checks (Dept. 14)	2,248	2,248
7. Medical CDL Drug Testing (Dept. 14)	1,600	2,400
8. Employee Advisory Service (Dept. 14)	2,500	2,500
9. 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)	45,000	45,000
10. Insurance Broker-HRH (Dept. 15)	42,000	42,000
11. GL Administrator (ESIS) (Dept. 15)	2,000	2,000
12. Services-Attorney General's Office - Assistance of Deputy Attorney General concerning a wide range of legal matters (Dept. 15)	20,000	20,000
13. Appraisals - Canal Leases	5,000	-
14. MP Water Monitoring Costs - USGS SR @ Glen Gardner (Dept. 20)	10,057	10,057
15. MP Water Monitoring Costs - USGS SB Raritan @ Stanton (Dept. 20)	8,568	8,568
16. MP Water Monitoring Costs - USGS Landing Lane (Dept. 20)	36,414	36,414
17. MP Water Monitoring Costs - USGS Raritan River @ Manville (Dept. 20)	47,940	47,940
18. Continuous Record Gaging - USGS @ Washington Crossing (Dept. 20)	22,083	22,083
19. Water Quality Monitoring - USGS @ Washington Crossing (Dept. 20)	5,059	5,059
20. Water Monitoring Costs ASWQMN- USGS D&R Canal @ Landing Lane (Dept. 20)	13,617	13,617
21. Water Monitoring Costs ASWQMN - NJDEP Mulhockaway @ Van Syckel (Dept. 20)	7,320	7,320
22. Additional Flow Measure at SR, Stanton, Manville & Calco Dam (Dept. 20)	8,500	8,500
23. Water Monitoring-SBWA/URWA now RHA (Dept. 20)	2,000	2,000
24. 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 2022

	ADOPTED F/Y21	PROPOSED F/Y22
25. Lab Certification WPU/Water Sample Analysis (Dept. 20)	\$ 2,000	\$ 2,000
26. NJ Invasive Species Strike Team (Dept. 20)	300	300
27. ISCO Monitoring (Dept. 20)	8,000	8,000
28. General Lab Analysis	4,000	4,000
29. Services-Emergency Engineering Services (Dept 30)	2,500	2,500
30. Underground Storage Tank-CEA Report (Dept. 30)	16,000	-
31. Underground Storage Tank Groundwater Test (Dept. 30)	6,000	-
32. USGS Cooperative Agreement River Gaging - Maintenance of Raritan Basin Stream Gaging Stations and the Delaware & Raritan Canal Gauging at Kingston per USGS/DWR/NJWSA Agreement (Dept. 31)	68,000	68,000
33. USGS Spruce Run Gage at Glen Gardner (Dept. 31)	10,200	10,200
34. USGS Clinton Rain Gage (Dept. 31)	3,200	3,200
35. USGS Washington Crossing Rain Gage (Dept. 31)	3,200	3,200
36. Water Testing and Sampling to comply with the Safe Water Drinking Act (Dept. 31)	2,400	5,000
37. Water Sampling and Testing as per NJDWR Requirements - RT 202 Stockpile Site (Dept 32)	20,000	28,000
38. Maintenance of USGS Gauges at Washington Crossing and 10-mile and others (Dept. 32)	48,000	56,000
39. Vac Truck Service - IFW, 10 Mile PS (Dept. 32)	5,000	5,000
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)	500	500
43. Hepatitis Vaccinations (Dept. 36)	800	800
44. Calibration for the Pota-Count Respirator (Dept. 36)	900	900
TOTAL	\$ 591,136	\$ 581,536

NEW JERSEY WATER SUPPLY AUTHORITY
RARITAN BASIN SYSTEM

PROJECTED FY 2022 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 Earthen Dam/Builders Risk	\$581,916	\$254,075	\$75,585	\$911,576
General/Products Liability Limit \$1 million Deduct: \$150k	\$121,481	\$11,358	\$2,359	\$135,198
Environmental Impairment Liability Limit \$10 million Deduct: \$100k	\$24,261	\$2,268	\$471	\$27,000
Workers' Compensation Limit \$1 million	\$153,012	\$22,554	\$24,434	\$200,000
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	\$319,971	\$29,915	\$6,211	\$356,098
Business Automobile Limit: \$1 million G/L, \$0 pd Deduct: \$50k, G/L	\$27,363	\$3,662	\$1,240	\$32,264
Management Liability Public Officials Liability Cyber Risk Fidelity & Crime Limit \$5 million/\$1million/\$1 million Deduct: \$100k/\$10k/\$50k	\$43,553 \$6,386 <hr/> \$49,939	\$4,072 \$597 <hr/> \$4,669	\$845 \$124 <hr/> \$2,453 \$3,422	\$48,470 \$7,107 <hr/> \$2,453 \$58,031
Travel Accident Limit \$2 million	\$674	\$63	\$13	\$750
TOTAL:	\$1,278,616	\$328,564	\$113,736	\$1,720,916

JERSEY WATER SUPPLY AUTHORITY
RARITAN BASIN SYSTEM

DEFINITIONS AND EXPLANATION OF THE FISCAL YEAR 2022 OPERATING EXPENSE ACCOUNTS

<u>ACCOUNT CODE</u>	<u>TITLE</u>
5110	<u>SALARIES AND WAGES</u>
5120- 5140	<u>OVERTIME</u>
5150- 5168	<u>FRINGE BENEFITS</u>

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 2022.

	<u>Adopted F/Y21</u>	<u>Proposed F/Y22</u>
Budgeted Positions	100	100
Expenditures:		
Regular Salaries	\$6,475,650	\$6,640,500
Overtime	269,270	254,555
Fringe Benefits	3,120,000	3,322,800
Retiree Health Benefits	539,500	544,000
Worker's Compensation (self-insured)	<u>10,000</u>	<u>10,000</u>
Total Salaries and Fringe Benefits	<u>\$10,414,420</u>	<u>\$10,771,855</u>
Anticipated increase for F/Y22		\$357,435

DEFINITIONS AND EXPLANATION OF THE FISCAL YEAR 2022 OPERATING EXPENSE ACCOUNTS

**ACCOUNT
CODE**

TITLE

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.

5210

HEATING FUEL

This account covers the cost of heating the Administration Building, South Branch Pumping Station, Langenfelder Maintenance Barn, and Facilities Maintenance Building.

5220

UTILITIES - ELECTRICAL SERVICE (other than pumping)

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

UTILITIES - GAS SERVICE & WATER

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

PROPANE

This account covers the cost of propane fuel at the South Branch Pumping Station.

5250

ELECTRICITY FOR PUMPING

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

VEHICULAR FUEL

This account covers the cost of unleaded regular and diesel fuel used by the Authority's motor vehicles.

5270

OIL & GREASE

This account covers the amount of oil and grease used by the Authority's motor vehicles. Also included in this account are 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 2022 OPERATING EXPENSE ACCOUNTS

**ACCOUNT
CODE**

TITLE

5280

TIRES

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

MAINTENANCE SUPPLIES

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

MAINTENANCE SUPPLIES - VEHICULAR EQUIPMENT

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

MAJOR - SPECIALIZED SERVICE AND REPAIR

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

AGRICULTURE SUPPLIES

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

MAINTENANCE OF EQUIPMENT

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 2022 OPERATING EXPENSE ACCOUNTS

**ACCOUNT
CODE**

TITLE

5340

SERVICE AND MAINTENANCE CONTRACTS

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

EQUIPMENT RENTAL

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

HOUSEHOLD, SAFETY AND PROTECTIVE SUPPLIES

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

UNIFORMS

This account covers uniforms and related items for Security, Auto Shop Personnel, Survey Crew and Canal Flow Controlmen.

5380

SPECIAL AND PROFESSIONAL SERVICES

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

PROTECTIVE SERVICES

This account covers the yearly cost of insurance premiums prorated to the Raritan Basin System, covering General Liability, Workmen's Compensation, Vehicular, Etc.

5400

TELEPHONE

This account covers direct telephone charges for repairs, equipment rental and related expenses.

5410

POSTAGE AND FREIGHT

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.

DEFINITIONS AND EXPLANATION OF THE FISCAL YEAR 2022 OPERATING EXPENSE ACCOUNTS

**ACCOUNT
CODE**

TITLE

5420

DATA PROCESSING

This account covers charges for production of payrolls and required reports under contract with ADP.

5430

PRINTING AND OFFICE

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

SCIENTIFIC AND PHOTOGRAPHIC

This account covers the cost of photographic supplies, blueprinting supplies, surveying and engineering supplies, and other charts.

5450

DUES AND SUBSCRIPTIONS

This account covers the cost of subscriptions to newspapers, magazines, periodicals, reference books, other publications and membership fees in professional societies and associations.

5460

ADVERTISING

This account covers the cost of legal and classified advertising in newspapers for bids and recruiting.

5470

TRAVEL AND SUBSISTENCE

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 and staff and departmental meal expenses. It will also cover registration fees for attendance at meetings or conventions.

5480

STAFF TRAINING AND TUITION AID

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

DEFINITIONS AND EXPLANATION OF THE FISCAL YEAR 2022 OPERATING EXPENSE ACCOUNTS

**ACCOUNT
CODE**

TITLE

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 the 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.

NEW JERSEY WATER SUPPLY AUTHORITY



MANASQUAN WATER TREATMENT PLANT AND TRANSMISSION SYSTEM

FISCAL YEAR 2022 BUDGET

(July 1, 2021 - June 30, 2022)

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN WATER TREATMENT PLANT AND TRANSMISSION SYSTEM

PROPOSED

FISCAL YEAR 2022 BUDGET
(July 1, 2021 – June 30, 2022)

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NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN WATER TREATMENT PLANT AND TRANSMISSION SYSTEM

PROPOSED FISCAL YEAR 2022 BUDGET SUMMARY

(7/01/21-6/30/22)

	<u>ADOPTED F/Y21 WTP/TS BUDGET</u>	<u>PROPOSED F/Y22 WTP/TS BUDGET</u>
Proposed Operating Expense Budget (See Schedule 1)	\$2,547,174	\$2,664,175
Proposed Capital Equipment Budget (See Schedule 10)	(3,461)	30,603
Allocation of Headquarters General & Administrative Expense charged to the Manasquan WTP/TS (See Schedule 5)	<u>87,000</u>	<u>92,000</u>
Total Proposed Budget	<u><u>\$2,630,713</u></u>	<u><u>\$2,786,778</u></u>

NEW JERSEY WATER SUPPLY AUTHORITY
 MANASQUAN WATER TREATMENT PLANT AND TRANSMISSION SYSTEM

TOTAL PROPOSED OPERATIONS & MAINTENANCE BUDGET

FISCAL YEAR 2022
 (7/01/21-6/30/22)

	<u>ADOPTED F/Y21</u> <u>WATER TREATMENT PLANT</u> <u>& TRANSMISSION SYSTEM</u>	<u>PROPOSED F/Y22</u> <u>WATER TREATMENT PLANT</u> <u>& TRANSMISSION SYSTEM</u>
Salaries/Fringe (Schedule 4)	\$1,583,760	\$1,653,098
O & M Direct Expense (Schedule 2)	864,000	909,916
G & A Expenses (Schedule 3)	<u>99,414</u>	<u>101,161</u>
Total Operations & Maintenance Budget	<u>\$2,547,174</u>	<u>\$2,664,175</u>

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN WATER TREATMENT PLANT AND TRANSMISSION SYSTEM

PROPOSED OPERATIONS & MAINTENANCE DIRECT EXPENSE BUDGET (50)

FISCAL YEAR 2022
(7/01/21-6/30/22)

<u>CODE</u>	<u>ACCOUNT DESCRIPTION</u>	<u>ADOPTED FY21</u>	<u>PROPOSED FY22</u>
5210	Heating Fuel	\$6,000	\$6,000
5220	Utilities -Electrical Service	304,500	304,500
5230	-Gas Service	31,000	31,000
5240	-Propane		
5250	Electricity for Pumping Station		
5260	Fuel - Vehicular		
5270	Oil & Grease	4,000	4,000
5280	Tires		
5290	Maintenance Supplies	6,000	6,000
5300	Maint. Supplies - Vehicular		
5310	Major Vehicle Service & Repair		
5320	Agricultural Supplies		
5330	Maintenance Equipment	112,500	98,500
5340	Serv. & Maintenance Contracts	42,000 (Sch. 6)	56,000
5350	Equipment Rental	3,000	3,200
5360	Household - Safety Supplies	2,000	2,000
5370	Uniforms		
5380	Special & Professional Services	34,800 (Sch. 8)	34,800
5390	Protective Services	85,700 (Sch. 11)	113,736
5400	Telephone	1,000	1,000
5410	Postage & Freight Out		
5420	Data Processing		
5430	Printing & Office Supplies	9,800	9,800
5440	Scientific & Photographic	13,000	13,800
5450	Dues & Subscriptions		
5460	Advertising & Promotional	1,000	1,000
5470	Travel & Subsistence		
5480	Staff Training & Tuition Aid	6,700	6,700
5490	Fees & Permits	9,600	11,080
5500	In - Lieu Taxes	400	400
5510	Residual Removal	15,000	15,400
5520	Water Treatment Chemicals	131,000	131,000
5525	GAC Replacement	45,000	60,000
		<u> </u>	<u> </u>
	Total Other Expenses	<u>\$864,000</u>	<u>\$909,916</u>

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN WATER TREATMENT PLANT AND TRANSMISSION SYSTEM

PROPOSED GENERAL & ADMINISTRATIVE EXPENSE BUDGET (60)

FISCAL YEAR 2022
(7/01/21-6/30/22)

<u>CODE</u>	<u>ACCOUNT</u>	<u>ADOPTED G&A FY21</u>	<u>PROPOSED G&A FY22</u>
	Salaries & Fringe Benefits	\$ 2,999,300	\$3,156,600
5200	Residences		
5210	Heating Fuel		
5220	Utilities -Electrical Service		
5230	-Gas Service		
5240	-Propane		
5250	Electricity for Pumping Station		
5260	Fuel - Vehicular	22,750	22,750
5270	Oil & Grease	5,700	5,700
5280	Tires	7,000	7,000
5290	Maintenance Supplies	27,300	27,300
5300	Maint. Supplies - Vehicular	10,600	10,600
5310	Major Vehicle Service & Repair	52,000	52,000
5320	Agricultural Supplies	8,600	8,600
5330	Maintenance Equipment	17,100	17,100
5340	Serv. & Maintenance Contracts	22,550	26,550 (Sch. 7)
5350	Equipment Rental	4,300	4,300
5360	Household - Safety Supplies	7,500	7,500
5380	Special & Professional Services	7,700	7,700 (Sch. 9)
5390	Protective Services		
5400	Telephone	7,000	7,000
5410	Postage & Freight Out	1,200	1,200
5420	Data Processing	5,000	5,000
5430	Printing & Office Supplies	5,800	5,800
5440	Scientific & Photographic	300	300
5450	Dues & Subscriptions	3,000	3,000
5460	Advertising & Promotional	2,000	2,000
5470	Travel & Subsistence	1,000	1,000
5480	Staff Training & Tuition Aid	12,400	12,400
5490	Fees & Permits	7,700	7,700
5500	In - Lieu Taxes		
5510	Residual Removal		
5520	Water Treatment Chemicals		
5525	GAC Replacement		
	SUB-TOTAL G&A EXPENSE BUDGET	<u>\$238,500</u>	<u>\$242,500</u>
	TOTAL G&A WITH SALARIES & FRINGE	<u>\$3,237,800</u>	<u>\$3,399,100</u>

Allocation of Direct General & Administrative Expense Budget - See Appendix I for basis of Allocation.
(Page 6, Columns 2, 3, & 4)

Reservoir System	\$139,086	\$141,339
Treatment/Transmission System	<u>\$99,414</u>	<u>\$101,161</u>
Total	<u>\$238,500</u>	<u>\$242,500</u>

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN WATER TREATMENT PLANT AND TRANSMISSION SYSTEM

LABOR PROJECTION

FISCAL YEAR 2022
(7/01/21-6/30/22)

TITLES	RANGE	SALARY	FRINGE		CLOTHING	SHIFT	TOTAL	ALLOCATION	AMOUNT	ALLOCATION	AMOUNT
			BENEFITS	OVERTIME	ALLOWANCE	DIFFERENTIAL		RESERVOIR	RESERVOIR	WTP/TS	WTP/TS
Director	36	137,400	76,412	-	-	-	213,812	50%	106,910	50%	106,900
Project Engineer II	26	94,300	52,442	-	-	-	146,742	51%	75,229	49%	71,511
Water Supply Tech.	17	66,500	37,288	-	550	-	104,338	62%	64,671	38%	39,669
Administrative Assistant	18	70,600	39,335	129	-	-	110,064	50%	55,100	50%	54,930
Supervisor Technical Facilities Maint	23	88,600	53,849	7,678	550	-	150,677	47%	70,055	54%	80,645
Sr. Water Supply Tech.	20	77,300	43,789	889	550	-	122,528	43%	52,676	57%	69,865
Maintenance Worker I	10	48,600	27,334	-	550	-	76,484	93%	71,394	7%	5,086
Supervisor Operations	29	113,400	63,065	-	-	-	176,465	25%	43,283	76%	133,177
Equipment Operator	12	48,100	27,249	347	550	-	76,246	94%	71,570	6%	4,630
Foreman Bldg & Grounds Maint	19	77,300	43,572	499	550	-	121,921	94%	114,138	6%	7,782
Foreman Facilities Maintenance	20	77,000	44,114	1,774	550	-	123,438	47%	57,803	53%	65,657
Facilities Mechanic (3 Positions)	18	199,100	112,670	1,849	1,650	-	315,269	48%	151,135	52%	164,085
Supervisor Plant Operator	22	83,600	48,910	3,797	550	-	136,857	37%	50,325	63%	86,535
Maintenance Worker I Operations	10	48,600	27,371	67	550	-	76,588	92%	70,295	8%	6,325
Reservoir System Operator (5 Positions)	15	236,600	148,921	26,533	2,750	1,900	416,704	97%	405,717	3%	10,953
Asst. Reservoir System Operator	13	-	-	-	-	-	-	95%	-	5%	-
Plant Operator (3 Positions)	20	220,200	142,005	33,496	1,650	-	397,351	6%	23,811	94%	373,539
Plant Operator (3 Positions)	19	217,500	139,779	32,193	1,650	-	391,122	5%	19,321	95%	371,809
TOTAL: (rounded)		<u>1,904,700</u>	<u>1,128,100</u>	<u>109,250</u>	<u>12,650</u>	<u>1,900</u>	<u>3,156,600</u>		<u>1,503,432</u>		<u>1,653,098</u>

TOTAL = 27 Positions

NOTE: A. PERCENTAGES ARE FROM THE AVERAGE OF FISCAL YEARS 2015 THROUGH 2018 BASED ON ACTUAL TIME RECORDS.
B. PLANT OPERATOR TIME STUDY PERCENTAGES WERE ADJUSTED TO ACCOUNT FOR THE VALUE OF THE SHIFT DIFFERENTIAL PROVIDED TO THE RESERVOIR

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN WATER TREATMENT PLANT AND TRANSMISSION SYSTEM

**RECAP OF ALLOCATION OF HEADQUARTERS GENERAL AND
ADMINISTRATIVE EXPENSES CHARGED TO THE MANASQUAN WATER
TREATMENT PLANT AND TRANSMISSION SYSTEM**

FISCAL YEAR 2022
(7/01/21-6/30/22)

	Total Headquarters Charge	Manasquan Reservoir System	Manasquan WTP/TS
Budgeted-Appendix I, amount to be charged to Manasquan System for FY22 (7/1/21-6/30/22)	\$732,719	\$632,117	\$100,602
F/Y20 Adjustment as per audited Expenditures:			
Budgeted as per rate schedule for F/Y20 (7/1/19-6/30/20). Amounts paid during F/Y20 to Raritan Basin System.	\$660,000	\$568,000	\$92,000
Actual allocation based upon audited expenditures F/Y20 (7/1/19-6/30/20) - Appendix II	\$601,323	\$518,747	\$82,576
Adjustments F/Y20	(\$58,677)	(\$49,253)	(\$9,424)
Net Allocation for F/Y2022 Budget	\$674,042	\$582,864	\$91,178
Estimate	\$674,000	\$583,000	\$92,000

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN WATER TREATMENT PLANT AND TRANSMISSION SYSTEM

**LIST OF CATEGORY 5340 ITEMS - RECOMMENDED SERVICE &
MAINTENANCE CONTRACTS FOR THE WATER TREATMENT
PLANT/TRANSMISSION SYSTEM (50)**

FISCAL YEAR 2022

	Adopted F/Y21	Proposed F/Y22
1 HVAC Service	\$ 2,000	\$ 2,000
2 Electrical Service Contract	1,500	1,500
3 Instrumentation & Control System Service & Upgrade	6,000	6,000
4 Electrical Upgrade & Repair	4,000	4,000
5 Overhead Crane Service	3,000	3,000
6 UST Monitors Service and Upgrade	1,000	2,000
7 Fire & Intrusion Alarm Service	1,200	3,600
8 Air Compressor Service	1,200	500
9 Boiler Service	2,500	500
10 Auxiliary Generator Service	3,500	3,500
11 Lab Equipment Service	2,500	3,000
12 Backflow Preventor Service	500	500
13 Gas-Fired Hot Water Heater Service	700	-
14 Instrumentation & Control System Service & Upgrade (Transmission System)	5,000	-
15 Electrical Upgrade & Repair (Transmission System)	2,000	-
16 Meter Vault Internet Service (Transmission System)	5,400	-
17 UPS Battery PM Service and Batteries	-	3,500
18 Four Year Electrical Switchgear Testing Service	-	10,000
	<u> </u>	<u> </u>
Total Service & Maintenance Contracts	<u>\$ 42,000</u>	<u>\$ 43,600</u>

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN WATER TREATMENT PLANT AND TRANSMISSION SYSTEM

**LIST OF CATEGORY 5340 ITEMS - RECOMMENDED SERVICE &
MAINTENANCE CONTRACTS FOR G & A (60)**

FISCAL YEAR 2022

	Adopted F/Y21	Proposed F/Y22
	<u> </u>	<u> </u>
1 Refuse & Waste Disposal	\$ 2,000	\$ 2,000
2 Office Equipment/Computers	1,800	1,800
3 Waste Oil Disposal	200	200
4 Fire Extinguisher Service	1,100	1,100
5 UST Monitor Service	2,000	2,000
6 Building Maintenance	1,750	1,750
7 Internet Service	2,000	2,000
8 Janitorial Service	8,000	8,000
9 Vehicle Lift Inspection	500	500
10 Generator Service & Maintenance	2,000	2,000
11 Forklift Service & Maintenance	1,200	1,200
12 Underground Fuel Storage Tank Service	<u>-</u>	<u>4,000</u>
 Total Service & Maintenance Contracts	 <u><u>\$ 22,550</u></u>	 <u><u>\$ 26,550</u></u>

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN WATER TREATMENT PLANT AND TRANSMISSION SYSTEM

**LIST OF CATEGORY 5380 ITEMS - RECOMMENDED SPECIAL &
PROFESSIONAL SERVICES FOR THE WATER TREATMENT
PLANT/TRANSMISSION SYSTEM (50)**

FISCAL YEAR 2022

	Adopted F/Y21	Proposed F/Y22
	<u> </u>	<u> </u>
1 Water Quality Sampling	\$ 17,200	\$ 17,200
2 Residual Quality Analysis	800	800
3 Consultant Services	4,000	4,000
4 USGA Allenwood Gage-Parameters	11,000	11,000
5 Underground Markout Service (Transmission System)	<u>1,800</u>	<u>-</u>
 Total Special & Professional Services	 <u><u>\$ 34,800</u></u>	 <u><u>\$ 33,000</u></u>

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN WATER TREATMENT PLANT AND TRANSMISSION SYSTEM

**LIST OF CATEGORY 5380 ITEMS - RECOMMENDED SPECIAL &
PROFESSIONAL SERVICES FOR G & A (60)**

FISCAL YEAR 2022

	Adopted F/Y21	Proposed F/Y22
	<u> </u>	<u> </u>
1 Pulmonary Testing	\$ 1,500	\$ 1,500
2 CDL Medical Testing	1,000	1,000
3 EAS Service	4,000	4,000
4 Pre-Employment Physicals	<u>1,200</u>	<u>1,200</u>
Total Special & Professional Services	<u>\$ 7,700</u>	<u>\$ 7,700</u>

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN WATER TREATMENT PLANT AND TRANSMISSION SYSTEM

PROJECTED INSURANCE PROGRAM

FISCAL YEAR 2022

<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 Deduct: \$100k all perils	\$581,916	\$254,075	\$75,585	\$911,576
General/Products Liability Limit \$1 million Deduct: \$150k	\$121,481	\$11,358	\$2,359	\$135,198
Environmental Impairment Liability Limit \$10 million Deduct: \$100k	\$24,261	\$2,268	\$471	\$27,000
Workers' Compensation Limit \$1 million	\$153,012	\$22,554	\$24,434	\$200,000
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	\$319,971	\$29,915	\$6,211	\$356,098
Business Automobile Limit: \$1 million G/L, \$0 pd Deduct: \$50k, G/L	\$27,363	\$3,662	\$1,240	\$32,264
Management Liability				
Public Officials Liability	\$43,553	\$4,072	\$845	\$48,470
Cyber Risk	\$6,386	\$597	\$124	\$7,107
Fidelity & Crime			\$2,453	\$2,453
Limit \$5 million/\$1million/\$1 million Deduct: \$100k/\$10k/\$50k	\$49,939	\$4,669	\$3,422	\$58,031
Travel Accident Limit \$2 million	\$674	\$63	\$13	\$750
TOTAL:	\$1,278,616	\$328,564	\$113,736	\$1,720,916

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN WATER TREATMENT PLANT AND TRANSMISSION SYSTEM

**DEFINITIONS AND EXPLANATION OF THE FISCAL YEAR 2022
OPERATING EXPENSE ACCOUNTS**

**ACCOUNT
CODE TITLE**

5110 SALARIES AND WAGES

The following is a comparison of the subject expenditures for Fiscal Year 2022.

	Adopted F/Y21	Proposed F/Y22
Budgeted Positions	27	27
Expenditures:		
Regular Salaries	\$1,835,950	\$1,919,250
Overtime	109,250	109,250
Fringe Benefits	949,300	964,600
Retiree Health Benefits	99,800	158,500
Worker's Compensation (self-insured)	5,000	5,000
Total Salaries and Fringe Benefits	\$2,999,300	\$3,156,600
Allocation to Treatment Plant	\$1,583,800	\$1,653,100
Anticipated Increase for F/Y22		\$69,300

5120- OVERTIME, NEW POSITIONS AND SEASONAL HELP
5140

5150 FRINGE BENEFITS

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

The fringe benefit account specifically covers 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 allowances for unused sick leave and vacation balances upon retirement and annual allowances required by union agreement.

5210 HEATING FUEL

This account covers the cost of fuel required for the stand-by generator at the Water Treatment Plant.

DEFINITIONS AND EXPLANATION OF THE FISCAL YEAR 2022 OPERATING EXPENSE ACCOUNTS

**ACCOUNT
CODE TITLE**

5220 UTILITIES - ELECTRICAL SERVICE (OTHER THAN PUMPING)

This account covers facilities electrical usage at the Water Treatment Plant/Transmission System Meter Vaults, and access roadway lighting for security and safety purposes.

5230 NATURAL GAS

This account covers the cost of heating the Water Treatment Plant.

5240 PROPANE

This account covers the cost of propane fuel at the Water Treatment Plant Laboratory.

5260 VEHICULAR FUEL

This account covers the cost of unleaded regular and diesel fuel used by the Authority's motor vehicle fleet.

5270 OIL AND GREASE

This account covers the amount of oil and grease used by the Authority's motor vehicles and equipment. Also included in this account are mineral oil and those specialty oils used in the pumps and motors at the Intake Pump Station, Reservoir Pump Station, Flow Meter/Valve Chamber, Inlet/Outlet Tower, and Water Treatment Plant.

5280 TIRES

This account covers the cost of tires used on the Authority's motor vehicle including cars, trucks, trailers and construction equipment. Also included in this account is tire repair, tubes, etc.

5290 MAINTENANCE SUPPLIES

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, paint and related products, plumbing (heating and cooling) products, insulation products, electrical items, lighting supplies, fixtures, signs, posts, fencing and fencing material, road, ditch, culvert and bank repair materials, emergency response supplies, small hand and power tools and welding gases.

5300 MAINTENANCE SUPPLIES-VEHICULAR EQUIPMENT

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.

DEFINITIONS AND EXPLANATION OF THE FISCAL YEAR 2022 OPERATING EXPENSE ACCOUNTS

**ACCOUNT
CODE TITLE**

5310 MAJOR - SPECIALIZED VEHICLE SERVICE AND REPAIR

This account is a supplement to account code 5300 and includes those services required by vendors specializing in items such as body and fender work, major repairs to transmissions, front end alignments, radiator repairs and major power train overhauls. This account also includes vehicle and equipment preventive maintenance labor costs as performed by Raritan Basin System personnel or by a vendor.

5320 AGRICULTURE SUPPLIES

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 MAINTENANCE OF EQUIPMENT

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 radio equipment, repairs to engineering and surveying equipment, building maintenance, service to system components of the Water Treatment Plant and Transmission System, confined space entry equipment, telemarks, recorders and flow meters and all spare parts needed at the Water Treatment Plant and Transmission System to sustain continuous and dependable operations.

5340 SERVICE AND MAINTENANCE CONTRACTS

This account covers the contracts used for servicing plumbing (heating and cooling), electrical and instrumentation equipment, fire and intrusion alarms, fire extinguishers, appliances, exterminators, overhead cranes, septic systems, auxiliary generator, UST monitoring system, embankment fertilization, 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 and contact janitorial services.

5350 EQUIPMENT RENTAL

This account covers the rental of specialized construction equipment such as pumps, compressors, etc., specialized office equipment, pagers, entry rugs and the postage machine, the parts washer, and gas cylinder.

5360 HOUSEHOLD, SAFETY AND PROTECTIVE SUPPLIES

This account is 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, fire extinguishers, first aid and safety supplies, film rentals and related costs for in-house programs and materials handling and labeling supplies.

DEFINITIONS AND EXPLANATION OF THE FISCAL YEAR 2022 OPERATING EXPENSE ACCOUNTS

**ACCOUNT
CODE TITLE**

5380 SPECIAL AND PROFESSIONAL SERVICES

This account is to show the estimated cost of Professional Services such as attorneys, physicians, annual audit fee, Governor's Authority Unit, court reporters, temporary services, engineers, consultants, laboratory services, CDL testing service, employee assistance service, etc.

5390 PROTECTIVE SERVICES

This account covers the yearly cost of insurance premiums prorated to the Water Treatment Plant/Transmission System covering General Liability, Workmen's Compensation, Vehicular, etc.

5400 TELEPHONE

This account covers direct telephone charges including charges for repairs, equipment rental and related expenses.

5410 POSTAGE AND FREIGHT

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 DATA PROCESSING

This account covers charges for production of payrolls and required reports under contract with ADP.

5430 PRINTING AND OFFICE

This account covers the cost of computer supplies, computer software, letterhead, envelopes, publication costs and forms, archiving of our records, duplication products and all other stationery materials 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 SCIENTIFIC AND PHOTOGRAPHIC

This account covers the cost of video and photographic supplies, blueprinting supplies, laboratory supplies, surveying and engineering supplies and recording charts and pens.

5450 DUES AND SUBSCRIPTION

This account covers cost of subscriptions to newspapers, magazines, periodicals reference books, other publications and membership fees in professional societies and associations.

DEFINITIONS AND EXPLANATION OF THE FISCAL YEAR 2022 OPERATING EXPENSE ACCOUNTS

ACCOUNT
CODE TITLE

5460 ADVERTISING

This account covers the cost of legal and classified advertising in newspapers for bids, recruiting and public notifications.

5470 TRAVEL AND SUBSISTENCE

This account covers the cost of travel and subsistence expense reimbursable to an employee or chargeable to the Authority under the provisions of, "The Regulations Governing Employee Expense Reimbursements". It includes travel expenses, employee allowances, and staff and departmental meal expenses. It will also cover registration fees for attendance at meetings or conventions.

5480 STAFF TRAINING AND TUITION AID

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

5490 FEES AND PERMITS

This account covers the estimated cost of fees for safe drinking water UST registration, physical connections, and other permits from the NJDEP and small unclassified items such as notaries, hearing rooms and transcripts, easement renewals, vehicle and equipment registrations, etc.

5500 IN-LIEU TAXES

This account covers the funds for the Water Treatment Plant in-lieu tax payment to the Manasquan Reservoir System.

5510 RESIDUALS REMOVAL

This account covers the yearly costs associated with residuals handling, removal, moisture reduction and ultimate disposal as it pertains to Water Treatment Plant residual solids.

5520 WATER TREATMENT CHEMICALS

This account covers the yearly costs required to treat the raw water to produce a finished drinking water supply. The treatment chemical costs have been based on anticipated chemical feed rates established as a result of plant operating experience.

5525 CARBON REPLACEMENT

This account covers the yearly removal and replacement of 40,000 pounds of granular activated carbon for the GAC System. The carbon replacement cost was initially based on a GAC life of 12 months, but it has been extended to a life of 36 months.

Appendix I

**NEW JERSEY WATER SUPPLY AUTHORITY
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)
AGREED-UPON PROCEDURES REPORT**

FORECASTED COST ALLOCATION SCHEDULES

YEAR ENDING JUNE 30, 2022

**NEW JERSEY WATER SUPPLY AUTHORITY
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)**

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Commissioners of
New Jersey Water Supply Authority

We have performed the procedures enumerated below, which were agreed to by the Commissioners and Authority management, on the forecasted cost allocation schedules of the New Jersey Water Supply Authority (a component unit of the State of New Jersey) (the "Authority"), for the fiscal year ending June 30, 2022. These procedures were performed solely to assist you in evaluating the forecasted cost allocation schedules in connection with setting of water rates for each of the three operating systems (Raritan, Manasquan Reservoir and Manasquan Treatment Plant/Transmission). The Authority's management is responsible for preparing and presenting the schedules in accordance with the guidelines for the presentation of schedules established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures enumerated below either for the purpose for which this report has been requested or for any other purpose.

1. We were provided with the fiscal year 2022 budgeted expenses for each of the three operating systems by the Authority's Director of Finance and Administration, who advised us that the fiscal year 2022 budgeted expenses are based upon preliminary budgets that are subject to approval by the Authority's Commissioners. We performed no procedures in regard to the fiscal year 2022 budgeted expenses.
2. We recalculated the allocated costs on the forecasted cost allocation schedules. We found no exceptions as a result of these procedures.
3. We compared the methodologies used for cost allocation on the forecasted cost allocation schedules to the methodologies used in the Authority's cost allocation schedules for the year ended June 30, 2020, and found them to be consistent.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, about whether the forecast is presented in accordance with the guidelines for the presentation of a forecast established by the American Institute of Certified Public Accountants or whether the underlying assumptions are suitably supported or provide a reasonable basis for management's forecast. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

**INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES
(CONTINUED)**

There will usually be differences between the forecasted and actual results because events and circumstances frequently do not occur as expected, and those differences may be material. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

This report is intended solely for the information and use of the Commissioners and management of the Authority and is not intended to be, and should not be, used by anyone other than these specified parties.

Mercadieu, P.C.
Certified Public Accountants

October 14, 2020

**NEW JERSEY WATER SUPPLY AUTHORITY
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)**

**SCHEDULE OF FORECASTED COST CENTER EXPENSE RECLASSIFICATION
YEAR ENDING JUNE 30, 2022**

DEPT. #	DEPT./COST CENTER	COST CENTER COSTS	RECLASSIFICATIONS									REVISED COST CENTER COSTS
			1 HEATING/ ELECTRIC	2 VEHICULAR FUEL	3 PROFESSIONAL FEES	4 INSURANCE	5 TELEPHONE	6 PERMITS	7 WORKERS' COMPENSATION	8 IN LIEU TAXES	9 CHIEF ENGINEER SALARY & FRINGE	
	BUILDING HQ	\$ -	\$ 119,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 119,500
	TELEPHONE HQ	-	-	-	-	81,000	-	-	-	-	-	81,000
36	SAFETY	203,600	-	-	(5,000)	-	-	-	-	-	-	198,600
37	SECURITY	1,014,350	-	-	-	-	-	-	-	-	-	1,014,350
14	HUMAN RESOURCES	347,548	-	-	(4,900)	-	-	-	(10,000)	-	-	332,648
16	PURCHASING	524,038	-	(109,688)	-	-	(81,000)	(16,000)	-	-	-	317,350
17	INFORMATION SYSTEMS	186,320	-	-	-	-	-	-	-	-	-	186,320
15	CONTRACTS & RISK MGMT.	1,763,116	-	-	(45,000)	(1,278,616)	-	(96,100)	-	(8,700)	-	334,700
13	FINANCIAL MGMT.	950,830	-	-	(2,730)	-	-	-	-	-	-	948,100
34	AUTO SHOP	298,300	-	109,688	-	-	-	16,000	-	-	-	423,988
35	AUTO SHOP-CANAL	225,900	-	-	-	-	-	-	-	-	-	225,900
10	EXEC. OFFICE	286,500	4,650	-	-	-	-	-	-	-	-	291,150
20, 30, 31-33	WATERSHED, ENGINEERING & O&M (RARITAN SYSTEM)	8,497,934	(124,150)	-	57,630	1,278,616	-	96,100	10,000	8,700	(12,353)	9,812,477
		14,298,436	-	-	-	-	-	-	-	-	(12,353)	14,286,083
40-60	MANASQUAN SYSTEM	5,425,416	-	-	-	-	-	-	-	-	12,353	5,437,769
		<u>\$ 19,723,852</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19,723,852</u>

**NEW JERSEY WATER SUPPLY AUTHORITY
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)**

**SCHEDULE OF FORECASTED SYSTEM-WIDE ALLOCATED COSTS
YEAR ENDING JUNE 30, 2022**

DEPT. #	DEPT./COST CENTER	REVISED COST CENTER COSTS	ALLOCATION BASIS												ALLOCATED COST CENTER COSTS	
			SQ. FT. #	# OF TELEPHONES	# OF EMPLOYEES	100 % RARITAN O&M	# OF EMPLOYEES	# OF P.O.s	# OF COMPUTERS	MGD CONTRACTS	O&M BUDGET	# OF VEHICLES	# OF VEHICLES	TIME ESTIMATE		
	BUILDING HQ	\$ 119,500	\$ (119,500)													
	TELEPHONE HQ	81,000	-	\$ (81,000)												
36	SAFETY	198,600	803	880	\$ (200,283)											
37	SECURITY	1,014,350	4,519	3,522	16,094	\$ (1,038,485)										
14	HUMAN RESOURCES	332,648	5,345	2,641	1,788	-	\$ (342,422)									
16	PURCHASING	317,350	6,637	2,641	3,576	-	6,714	\$ (336,918)								
17	INFORMATION SYSTEMS	186,320	1,196	880	1,788	-	3,357	10,018	\$ (203,559)							
15	CONTRACTS & RISK MGMT.	334,700	3,909	1,761	3,576	-	6,714	7,130	3,635	\$ (361,425)						
13	FINANCIAL MGMT.	948,100	11,405	5,283	10,729	-	20,142	4,874	21,810	-	\$ (1,022,343)					
34	AUTO SHOP	423,988	17,962	1,761	3,576	-	6,714	14,892	3,635	-	26,771	\$ (499,299)				
35	AUTO SHOP-CANAL	225,900	-	1,761	1,788	-	3,357	7,491	3,635	-	14,264	-	\$ (258,196)			
10	EXEC. OFFICE	291,150	15,783	6,163	1,788	-	3,357	2,347	3,635	-	18,384	-	-	\$ (342,607)		
20, 30, 31-33	WATERSHED, ENGINEERING & O&M (RARITAN SYSTEM)	9,812,477	51,941	53,707	107,297	1,038,485	201,426	162,186	109,049	326,602	619,575	499,299	258,196	325,477	\$ 13,565,717	
40-60	MANASQUAN SYSTEM	5,437,769	-	-	48,283	-	90,641	127,980	58,160	34,823	343,349	-	-	17,130	6,158,135	
		<u>\$ 19,723,852</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19,723,852</u>	

**NEW JERSEY WATER SUPPLY AUTHORITY
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)**

**SCHEDULE OF FORECASTED COST ALLOCATION FACTORS
YEAR ENDING JUNE 30, 2022**

ALLOCATION OF:		BUILDING HQ	TELEPHONES	SAFETY	HUMAN RESOURCES	PURCHASING	INFORMATION SYSTEMS	CONTRACTS & RISK MGMT.	FINANCE O&M	AUTO SHOP	AUTO SHOP CANAL	EXEC. OFF
ALLOCATION BASIS:		SQ. FT. #	# OF TELEPHONES	# OF EMPLOYEES	# OF EMPLOYEES	# OF P.O.'S	# OF COMPUTERS	MGD CONTRACTS	FUNCTIONAL COST	# OF VEHICLES	# OF VEHICLES	TIME ESTIMATE
DEPT. #	DEPT./COST CENTER											
	BUILDING HQ	-	-	-	-	-	-	-	-	-	-	-
	TELEPHONE HQ	-	-	-	-	-	-	-	-	-	-	-
36	SAFETY	100	1									
37	SECURITY	563	4	9								
14	HUMAN RESOURCES	666	3	1								
16	PURCHASING	827	3	2	2							
17	INFORMATION SYSTEMS	149	1	1	1	111						
15	CONTRACTS & RISK MGMT.	487	2	2	2	79	1					
13	FINANCIAL MGMT.	1,421	6	6	6	54	6	-				
34	AUTO SHOP	2,238	2	2	2	165	1	-	\$ 423,988			
35	AUTO SHOP-CANAL	-	2	1	1	83	1	-	225,900			
10	EXEC. OFFICE	1,967	7	1	1	26	1	-	291,150	-		
20 30 31 32 33	WATERSHED, ENGINEERING & O&M (RARITAN SYSTEM)	6,472	61	60	60	1,797	30	182	9,812,477	48	48	95
40-60	MANASQUAN SYSTEM			27	27	1,418	16	19	5,437,769			5
		<u>14,890</u>	<u>92</u>	<u>112</u>	<u>102</u>	<u>3,733</u>	<u>56</u>	<u>202</u>	<u>\$ 16,191,284</u>	<u>48</u>	<u>48</u>	<u>100</u>

**NEW JERSEY WATER SUPPLY AUTHORITY
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)**

**SCHEDULE OF FORECASTED MANASQUAN SYSTEM ALLOCATED COSTS
YEAR ENDING JUNE 30, 2022**

	<u>COSTS</u>	ALLOCATION BASIS					<u>ALLOCATED COSTS</u>
		<u>1</u> TIME STUDY	<u>2</u> \$ VALUE OF VEHICLES	<u>3</u> \$ VALUE OF EQUIPMENT	<u>4</u> TIME STUDY	<u>5</u> VALUE OF WATER CONTRACTS	
<u>GENERAL & ADMINISTRATIVE</u>							
SALARIES & FRINGES	\$ 3,156,600	<u>\$ (3,156,600)</u>					
VEHICLE RELATED	98,050	-	<u>\$ (98,050)</u>				
MAINT. SUPPLIES & RELATED	91,350	-	-	<u>\$ (91,350)</u>			
OFFICE & MISC.	53,100	-	-	-	<u>\$ (53,100)</u>		
H.Q. OVERHEAD	732,719	-	-	-	-	<u>\$ (732,719)</u>	
RESERVOIR (40)	1,116,400	1,503,995	70,606	45,246	25,300	632,117	\$ 3,393,664
TREAT./TRANS. (50)	909,916	1,652,605	27,444	46,104	27,800	100,602	2,764,471
	<u>\$ 6,158,135</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,158,135</u>

**NEW JERSEY WATER SUPPLY AUTHORITY
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)**

**NOTES TO FINANCIAL SCHEDULES
YEAR ENDING JUNE 30, 2022**

NOTE 1 GENERAL

The New Jersey Water Supply Authority as part of its annual budget and rate making process performs a two-step cost allocation calculation. During the first step, the Authority forecasts its actual expenses by Cost Center. For purposes of this calculation the Authority uses the following Cost Centers:

Raritan System

- Building Headquarters
- Telephone Headquarters
- Safety
- Security
- Human Resources
- Purchasing
- Information Systems
- Contracts & Risk Management
- Financial Management
- Auto Shop
- Auto Shop - Canal
- Executive Office
- Engineering, Watershed Management, Operations and Maintenance (Raritan System)
- Manasquan System

In deriving expenses by Cost Center several expense reclassifications are made on the Schedule of Forecasted Cost Center Expense Reclassification as follows:

1. Heating and electricity expenses related to Building Headquarters ("HQ") and Executive Office are reclassified from Engineering and Operations & Maintenance ("O & M").
2. Vehicular fuel expense related to Auto Shop is reclassified from Purchasing.
3. Professional fees related to O & M are reclassified from the various departments to which they have been charged.
4. Insurance premium expense related to the Raritan System is reclassified from Contracts and Risk Management.
5. Telephone expense is reclassified from Purchasing to a separate Telephone HQ Cost Center.
6. Permit expense related to the Raritan System is reclassified from Contracts and Risk Management and Purchasing.
7. Workers' compensation expense related to the Raritan System is reclassified from Contracts and Risk Management.
8. In-lieu taxes related to the Raritan System are reclassified from Contracts and Risk Management.
9. Chief Engineer Salary & Fringe Expenses related to the Manasquan System are reclassified from the Engineering Department.

**NEW JERSEY WATER SUPPLY AUTHORITY
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)**

**NOTES TO FINANCIAL SCHEDULES
YEAR ENDING JUNE 30, 2022**

NOTE 1 GENERAL (CONTINUED)

The second step entails a step-down allocation of eleven of the Authority's Cost Centers to the Raritan and Manasquan System Cost Centers. In making this step-down allocation the Authority allocates costs as follows:

1. Building HQ is allocated to each of the Cost Centers based on the amount of space utilized.
2. Telephone HQ is allocated to each of the Cost Centers based on the number of telephones utilized.
3. Safety is allocated to each of the Cost Centers based on the number of employees.
4. Security is allocated entirely to the Raritan System.
5. Human Resources is allocated to each of the Cost Centers based on the number of employees.
6. Purchasing is allocated to each of the respective Cost Centers based on the number of purchase orders issued.
7. Information Systems is allocated to each of the Cost Centers based on the number of computers.
8. Contracts and Risk Management is allocated to each of the Cost Centers based on the number of employees.
9. Financial Management is allocated based on a percentage of the four remaining Cost Centers' budgets.
10. Auto Shop and Auto Shop-Canal are allocated based on the number of vehicles used.
11. Executive Office is allocated based on the amount of executive time utilized in managing each of the Systems.

**NEW JERSEY WATER SUPPLY AUTHORITY
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)**

**NOTES TO FINANCIAL SCHEDULES
YEAR ENDING JUNE 30, 2022**

NOTE 2 MANASQUAN SYSTEM ALLOCATED COST

The Manasquan Water Supply System's direct and allocated costs are then allocated between the Reservoir System and the Water Treatment Plant/Transmission System. In making this allocation the Authority adds to each System's direct expenses, the indirect costs allocated as follows:

1. Salaries and Fringe Benefits are allocated based on actual time studies performed by each employee throughout Fiscal Year 2020.
2. Vehicle related expenses are allocated based on the dollar value of vehicles held by each System.
3. Maintenance Supplies and related expenses are allocated based on the dollar value of capital equipment held by each System.
4. Office and miscellaneous expenses are allocated based on the time studies performed by each employee throughout Fiscal Year 2020.
5. Headquarters Overhead expenses are allocated based on the value of water contracts for each System.

Appendix II

**NEW JERSEY WATER SUPPLY AUTHORITY
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)**

EXAMINATION REPORT AND FINANCIAL SCHEDULES

June 30, 2020

**NEW JERSEY WATER SUPPLY AUTHORITY
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)**

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INDEPENDENT ACCOUNTANTS' REPORT

To the Commissioners of
New Jersey Water Supply Authority

We have examined the conformity of the financial schedules with the cost allocation criteria set forth in Notes 1 and 2, of New Jersey Water Supply Authority (a component unit of the State of New Jersey) (the "Authority"), for the year ended June 30, 2020, listed in the foregoing table of contents. The Authority's management is responsible for conformity of the financial schedules in accordance with the criteria set forth in Notes 1 and 2. Our responsibility is to express an opinion on the conformity of the financial schedules with the cost allocation criteria set forth in Notes 1 and 2, based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the financial schedules are in conformity with the cost allocation criteria set forth in Notes 1 and 2, in all material respects. An examination involves performing procedures to obtain evidence about the conformity of the financial schedules with the cost allocation criteria set forth in Notes 1 and 2. The nature, timing and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of the conformity of the financial schedules with the cost allocation criteria set forth in Notes 1 and 2, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

In our opinion, conformity of the financial schedules with the cost allocation criteria set forth in Notes 1 and 2, present the Authority's allocation of costs to the Raritan and Manasquan Systems in accordance with the cost allocation criteria set forth in Notes 1 and 2, in all material respects.

This report is intended for the information and use of the Commissioners and management of the Authority, and is not intended to be, and should not be, used by anyone other than these specified parties.

Mercadien, P.C.
Certified Public Accountants

October 14, 2020

**NEW JERSEY WATER SUPPLY AUTHORITY
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)**

**SCHEDULE OF COST CENTER EXPENSE RECLASSIFICATION
YEAR ENDED JUNE 30, 2020**

DEPT. #	DEPT./COST CENTER	COST CENTER COSTS	RECLASSIFICATIONS									REVISED COST CENTER COSTS
			1 HEATING/ ELECTRIC	2 VEHICULAR FUEL	3 PROFESSIONAL FEES	4 INSURANCE	5 TELEPHONE	6 PERMITS	7 WORKERS' COMPENSATION	8 IN LIEU TAXES	9 CHIEF ENGINEER SALARY & FRINGE	
	BUILDING HQ	\$ -	\$ 58,762	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 58,762
	TELEPHONE HQ	-	-	-	-	56,245	-	-	-	-	-	56,245
36	SAFETY	178,960	-	-	-	-	-	-	-	-	-	178,960
37	SECURITY	900,829	-	-	-	-	-	-	-	-	-	900,829
14	HUMAN RESOURCES	284,252	-	-	(3,414)	-	-	-	(3,311)	-	-	277,527
16	PURCHASING	411,918	-	(77,299)	-	-	(56,245)	(16,300)	-	-	-	262,074
17	INFORMATION SYSTEMS	153,814	-	-	-	-	-	-	-	-	-	153,814
15	CONTRACTS & RISK MGMT.	1,666,598	-	-	(47,476)	(1,221,982)	-	(89,619)	-	(28,675)	-	278,846
13	FINANCIAL MGMT.	803,173	-	-	(2,322)	-	-	-	-	-	-	800,851
34	AUTO SHOP	287,019	-	77,299	-	-	-	16,300	-	-	-	380,618
35	AUTO SHOP-CANAL	155,403	-	-	-	-	-	-	-	-	-	155,403
10	EXEC. OFFICE	255,493	4,507	-	-	-	-	-	-	-	-	260,000
20, 30-33	WATERSHED, ENGINEERING & O&M (RARITAN SYSTEM)	6,578,041	(63,269)	-	53,212	1,221,982	-	89,619	3,311	28,675	(11,120)	7,900,451
		11,675,500	-	-	-	-	-	-	-	-	(11,120)	11,664,380
40-60	MANASQUAN SYSTEM	3,914,040	-	-	-	-	-	-	-	-	11,120	3,925,160
		<u>\$ 15,589,540</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,589,540</u>

**NEW JERSEY WATER SUPPLY AUTHORITY
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)**

**SCHEDULE OF SYSTEM-WIDE ALLOCATED COSTS
YEAR ENDED JUNE 30, 2020**

DEPT. #	DEPT./COST CENTER	REVISED COST CENTER COSTS	ALLOCATION BASIS											ALLOCATED COST CENTER COSTS		
			SQ. FT. #	# OF TELEPHONES	# OF EMPLOYEES	100 % RARITAN O&M	# OF EMPLOYEES	# OF P.O.s	# OF COMPUTERS	MGD CONTRACTS	O&M BUDGET	# OF VEHICLES	# OF VEHICLES		TIME ESTIMATE	
	BUILDING HQ	\$ 58,762	<u>\$ (58,762)</u>													
	TELEPHONE HQ	56,245	-	<u>\$ (56,245)</u>												
36	SAFETY	178,960	395	611	<u>\$ (179,966)</u>											
37	SECURITY	900,829	2,222	2,445	14,462	<u>\$ (919,958)</u>										
14	HUMAN RESOURCES	277,527	2,628	1,834	1,607	-	<u>\$ (283,596)</u>									
16	PURCHASING	262,074	3,264	1,834	3,214	-	5,561	<u>\$ (275,947)</u>								
17	INFORMATION SYSTEMS	153,814	588	611	1,607	-	2,780	8,205	<u>\$ (167,605)</u>							
15	CONTRACTS & RISK MGMT.	278,846	1,922	1,223	3,214	-	5,561	5,840	2,993	<u>\$ (299,599)</u>						
13	FINANCIAL MGMT.	800,851	5,608	3,668	9,641	-	16,682	3,992	17,958	-	<u>\$ (858,400)</u>					
34	AUTO SHOP	380,618	8,832	1,223	3,214	-	5,561	12,197	2,993	-	25,886	<u>\$ (440,524)</u>				
35	AUTO SHOP-CANAL	155,403	-	1,223	1,607	-	2,780	6,135	2,993	-	10,569	-	<u>\$ (180,710)</u>			
10	EXEC. OFFICE	260,000	7,761	4,891	1,607	-	2,780	1,922	2,993	-	17,683	-	-	<u>\$ (299,637)</u>		
20, 30-33	WATERSHED, ENGINEERING & O&M (RARITAN SYSTEM)	7,900,451	25,542	36,682	96,408	919,958	166,821	132,836	89,788	270,733	537,311	440,524	180,710	276,415	\$ 11,074,179	
40-60	MANASQUAN SYSTEM	3,925,160	-	-	43,385	-	75,070	104,820	47,887	28,866	266,951	-	-	23,222	4,515,361	
		<u>\$ 15,589,540</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,589,540</u>

**NEW JERSEY WATER SUPPLY AUTHORITY
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)**

**SCHEDULE OF COST ALLOCATION FACTORS
YEAR ENDED JUNE 30, 2020**

ALLOCATION OF:		REQUIRED STATISTICS										
		BUILDING HQ	TELEPHONES	SAFETY	HUMAN RESOURCES	PURCHASING	INFORMATION SYSTEMS	RISK MGMT.	FINANCE O&M	AUTO SHOP	AUTO SHOP CANAL	EXEC. OFF
ALLOCATION BASIS:		SQ. FT. #	# OF TELEPHONES	# OF EMPLOYEES	# OF EMPLOYEES	# OF P.O.'S	# OF COMPUTERS	MGD CONTRACTS	FUNCTIONAL COST	# OF VEHICLES	# OF VEHICLES	TIME ESTIMATE
DEPT. #	DEPT./COST CENTER											
	BUILDING HQ											
	TELEPHONE HQ											
36	SAFETY	100	1									
37	SECURITY	563	4	9								
14	HUMAN RESOURCES	666	3	1								
16	PURCHASING	827	3	2	2							
17	INFORMATION SYSTEMS	149	1	1	1	111						
15	CONTRACTS & RISK MGMT.	487	2	2	2	79	1					
13	FINANCIAL MGMT.	1,421	6	6	6	54	6	-				
34	AUTO SHOP	2,238	2	2	2	165	1	-	\$ 380,618			
35	AUTO SHOP-CANAL	-	2	1	1	83	1	-	155,403			
10	EXEC. OFFICE	1,967	8	1	1	26	1	-	260,000	-		
20, 30-33	WATERSHED, ENGINEERING & O&M (RARITAN SYSTEM)	6,472	60	60	60	1,797	30	182	7,900,451	48	48	92
40-60	MANASQUAN SYSTEM			27	27	1,418	16	19	3,925,160			8
		<u>14,890</u>	<u>92</u>	<u>112</u>	<u>102</u>	<u>3,733</u>	<u>56</u>	<u>202</u>	<u>\$ 12,621,632</u>	<u>48</u>	<u>48</u>	<u>100</u>

**NEW JERSEY WATER SUPPLY AUTHORITY
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)**

**SCHEDULE OF MANASQUAN SYSTEM ALLOCATED COSTS
YEAR ENDED JUNE 30, 2020**

	<u>COSTS</u>	ALLOCATION BASIS					<u>ALLOCATED COSTS</u>
		<u>1</u> TIME STUDY	<u>2</u> \$ VALUE OF VEHICLES	<u>3</u> \$ VALUE OF EQUIPMENT	<u>4</u> TIME STUDY	<u>5</u> VALUE OF WATER CONTRACTS	
<u>GENERAL & ADMINISTRATIVE</u>							
SALARIES & FRINGES	\$ 2,309,333	\$ (2,309,333)					
VEHICLE RELATED	54,422	-	\$ (54,422)				
MAINT. SUPPLIES & RELATED	45,271	-	-	\$ (45,271)			
OFFICE & MISC.	27,045	-	-	-	\$ (27,045)		
H.Q. OVERHEAD	601,323	-	-	-	-	\$ (601,323)	
RESERVOIR	859,321	1,169,504	39,189	22,423	12,762	518,747	\$ 2,621,946
TREAT./TRANS.	618,646	1,139,829	15,233	22,848	14,283	82,576	1,893,415
	<u>\$ 4,515,361</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,515,361</u>

See Independent Accountants' Report.

**NEW JERSEY WATER SUPPLY AUTHORITY
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)**

NOTES TO FINANCIAL SCHEDULES
YEAR ENDED JUNE 30, 2020

NOTE 1 GENERAL

The New Jersey Water Supply Authority as part of its annual budget and rate making process performs a two-step cost allocation calculation. During the first step, the Authority forecasts its actual expenses by Cost Center. For purposes of this calculation the Authority uses the following Cost Centers:

Raritan System

- Building Headquarters
- Telephone Headquarters
- Safety
- Security
- Human Resources
- Purchasing
- Information Systems
- Contracts & Risk Management
- Financial Management
- Auto Shop
- Auto Shop - Canal
- Executive Office
- Engineering, Watershed Management, Operations and Maintenance (Raritan System)
- Manasquan System

In deriving expenses by Cost Center several expense reclassifications are made on the Schedule of Forecasted Cost Center Expense Reclassification as follows:

1. Heating and electricity expenses related to Building Headquarters ("HQ") and Executive Office are reclassified from Engineering and Operations & Maintenance ("O & M").
2. Vehicular fuel expense related to Auto Shop is reclassified from Purchasing.
3. Professional fees related to O & M are reclassified from the various departments to which they have been charged.
4. Insurance premium expense related to the Raritan System is reclassified from Contracts and Risk Management.
5. Telephone expense is reclassified from Purchasing to a separate Telephone HQ Cost Center.
6. Permit expense related to the Raritan System is reclassified from Contracts and Risk Management and Purchasing.

**NEW JERSEY WATER SUPPLY AUTHORITY
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)**

NOTES TO FINANCIAL SCHEDULES
YEAR ENDED JUNE 30, 2020

NOTE 1 GENERAL (CONTINUED)

7. Workers' compensation expense related to the Raritan System is reclassified from Contracts and Risk Management.
8. In-lieu taxes related to the Raritan System are reclassified from Contracts and Risk Management.
9. Chief Engineer Salary & Fringe Expenses related to the Manasquan System are reclassified from the Engineering Department.

The second step entails a step-down allocation of eleven of the Authority's Cost Centers to the Raritan and Manasquan System Cost Centers. In making this step-down allocation the Authority allocates costs as follows:

1. Building HQ is allocated to each of the Cost Centers based on the amount of space utilized.
2. Telephone HQ is allocated to each of the Cost Centers based on the number of telephones utilized.
3. Safety is allocated to each of the Cost Centers based on the number of employees.
4. Security is allocated entirely to the Raritan System.
5. Human Resources is allocated to each of the Cost Centers based on the number of employees.
6. Purchasing is allocated to each of the respective Cost Centers based on the number of purchase orders issued.
7. Information Systems is allocated to each of the Cost Centers based on the number of computers.
8. Contracts and Risk Management is allocated to each of the Cost Centers based on the number of employees.
9. Financial Management is allocated based on a percentage of the four remaining Cost Centers' budgets.
10. Auto Shop and Auto Shop-Canal are allocated based on the number of vehicles used.
11. Executive Office is allocated based on the amount of executive time utilized in managing each of the Systems.

**NEW JERSEY WATER SUPPLY AUTHORITY
(A COMPONENT UNIT OF THE STATE OF NEW JERSEY)**

NOTES TO FINANCIAL SCHEDULES
YEAR ENDED JUNE 30, 2020

NOTE 2 MANASQUAN SYSTEM ALLOCATED COST

The Manasquan Water Supply System's direct and allocated costs are then allocated between the Reservoir System and the Water Treatment Plant/Transmission System. In making this allocation the Authority adds to each System's direct expenses, the indirect costs allocated as follows:

1. Salaries and Fringe Benefits are allocated based on actual time studies performed by each employee throughout Fiscal Year 2020.
2. Vehicle related expenses are allocated based on the dollar value of vehicles held by each System.
3. Maintenance Supplies and related expenses are allocated based on the dollar value of capital equipment held by each System.
4. Office and miscellaneous expenses are allocated based on the time studies performed by each employee throughout Fiscal Year 2020.
5. Headquarters Overhead expenses are allocated based on the value of water contracts for each System.