

NEW JERSEY WATER SUPPLY AUTHORITY



MANASQUAN RESERVOIR SYSTEM

FISCAL YEAR 2016 BUDGET

(July 1, 2015 - June 30, 2016)

Proposed
June 1, 2015

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN RESERVOIR SYSTEM

PROPOSED

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

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NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN RESERVOIR SYSTEM

PROPOSED

FISCAL YEAR 2016 BUDGET SUMMARY

(7/1/15-6/30/16)

	<u>ADOPTED F/Y15</u> <u>RESERVOIR BUDGET</u>	<u>PROPOSED F/Y16</u> <u>RESERVOIR BUDGET</u>
Proposed Operating Expense Budget (Schedule 2)	\$2,519,000	\$2,619,460
Proposed Capital Equipment Budget (Schedule 13)	48,100	96,100
Allocation of Headquarters General & Administrative Expenses charged to the Manasquan Reservoir System (Schedule 5)	<u>676,000</u>	<u>640,000</u>
Total Operating Expense Budget & Capital Equipment Budget	<u>\$3,243,100</u>	<u>\$3,355,560</u>
Contributions to Debt Service and Reserve Funds:		
Renewal & Replacement	120,000	120,000
Sediment Reserve	10,000	10,000
Formal Dam Inspection Reserve	3,000	5,000
High Voltage Testing Reserve	15,000	15,000
Initial Debt Service Fund (120 percent coverage)	3,648,322	3,663,431
Delayed Debt Service Fund (120 percent coverage)	1,250,439	1,249,992
NJEIFP Debt Service	183,257	182,871
Source Water Protection Program	<u>112,566</u>	<u>73,778</u>
Total Contributions to Debt Service and Reserve Funds	<u>\$5,342,584</u>	<u>\$5,320,072</u>
Total Proposed Budget	<u>\$8,585,687</u>	<u>\$8,675,632</u>
Revenues:		
Operating and Maintenance Component	\$2,674,314	\$2,803,068
Adjustment for F/Y14 Salary & Fringe Expenses to be paid from the WTP/TS Account		(51,292)
Adjustment for F/Y13 Salary & Fringe Expenses to be paid from the WTP/TS Account	32,734	0
Appropriation from General Fund (Rate Stabilization)	672,855	640,000
Debt Service (120 percent coverage)	3,648,322	3,663,431
Delayed Debt Service (120 percent coverage)	1,250,439	1,249,992
NJEIFP Debt Service	183,257	182,871
Source Water Protection Program Component	112,566	73,778
F/Y15 interest earnings were estimated at .50 percent, long-term investments were estimated at 1.15 percent.	11,200	0
F/Y16 interest earnings on funds estimated at .25 percent, long-term investments are estimated at 1.30 percent.	<u>0</u>	<u>11,200</u>
Total Revenue	<u>\$8,585,687</u>	<u>\$8,675,632</u>

Table 1

New Jersey Water Supply Authority
Manasquan Reservoir Water Supply System
Rate History of
Water Charges per Million Gallons of Raw Water Daily
FY1997-FY2016
INITIAL WATER PURCHASER 15.695 mgd JULY 1, 2015
SHORELANDS .028mgd JULY 1, 2006

<u>Effective Date</u>	<u>O&M Charge</u>	<u>Source Water Protection</u>	<u>Debt Repayment 2/1/91-8/01/20</u>	<u>NJEIFP Debt Component</u>	<u>Total Charge per MG</u>	<u>Percent Increase (Decrease)</u>
July 1, 1996	316.58		748.57		\$1,065.15	-3.65%
July 1, 1997	284.09		654.83		\$938.92	-11.85%
July 1, 1998	263.56		569.36		\$832.92	-11.29%
July 1, 1999	114.13		581.18		\$695.31	-16.52%
July 1, 2000	145.81		583.00		\$728.81	4.82%
July 1, 2001	212.29		585.63		\$797.92	9.48%
July 1, 2002	212.35		582.62		\$794.97	-0.37%
July 1, 2003	201.14	15.00	578.83		\$794.97	0.00%
July 1, 2004	321.69	15.00	584.95		\$921.64	15.93%
July 1, 2005	295.41	15.00	584.60		\$895.01	-2.89%
July 1, 2006	295.41	15.00	522.86		\$833.27	-6.90%
July 1, 2007	302.52	15.00	528.54		\$846.06	1.53%
July 1, 2008	302.52	15.00	566.59		\$884.11	4.50%
July 1, 2009	396.79	15.00	568.26		\$980.05	10.85%
July 1, 2010	396.79	15.00	568.69		\$980.48	0.04%
July 1, 2011	347.39	15.00	618.09	35.42	\$1,015.90	3.61%
July 1, 2012	345.95	15.00	619.53	35.42	\$1,015.90	0.00%
July 1, 2013	356.61	15.00	619.87	24.42	\$1,015.90	0.00%
July 1, 2014	356.61	15.00	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%

**New Jersey Water Supply Authority
Manasquan Reservoir Water Supply System
Rate History of
Water Charges per Million Gallons of Raw Water Daily
FY2002-FY2016**

DELAYED WATER PURCHASER NJ-AMERICAN 1mgd JULY 1, 2001

1.935mgd OCTOBER 1, 2002

1.500mgd JANUARY 1, 2005

Effective Date	O&M Charge	Source Water Protection	Debt Repayment <u>2/1/02-8/01/31</u>	NJEIFP Debt Component	Total Charge per MG	Percent Increase (Decrease)
July 1, 2001	199.88		835.62		\$1,035.50	
July 1, 2002	212.35		835.61		\$1,047.96	1.20%
July 1, 2003	201.14	15.00	849.31		\$1,065.45	1.67%
July 1, 2004	321.69	15.00	849.31		\$1,186.00	11.31%
July 1, 2005	295.41	15.00	853.85		\$1,164.26	-1.83%
July 1, 2006	295.41	15.00	763.61		\$1,074.02	-7.75%
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%

NEW JERSEY WATER SUPPLY AUTHORITY
 MANASQUAN RESERVOIR SYSTEM
2005 BOND DEBT SERVICE COVERAGE
 FISCAL YEAR 2016
 (7/1/15-6/30/16)

	<u>Budgeted F/Y 2016</u>
<u>Revenues</u>	
Uninterruptible Water Sales	\$8,019,323
Interest Income/Other	<u>11,200</u>
Total Revenues	<u>\$8,030,523</u>
Prior Years Surplus	\$ <u>640,000</u>
<u>Expenses</u>	
O&M Costs	\$2,592,860
Overhead Allocation	<u>640,000</u>
Total O&M	<u>\$3,232,860</u>
Cash Available for Debt Service - A	\$5,437,663
Net Debt Service Expense - B	\$4,094,519
Debt Service Coverage Calculation - A/B	1.33
Cash After Debt Service A-B	\$1,343,144

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN RESERVOIR SYSTEM

TOTAL OPERATIONS & MAINTENANCE BUDGET

FISCAL YEAR 2016
(7/01/15-6/30/16)

	ADOPTED F/Y15 <u>RESERVOIR</u>	PROPOSED F/Y16 <u>RESERVOIR</u>
Salaries & Fringes (Schedule 6)	\$1,444,000	\$1,432,000
O & M Direct Expense (Schedule 3)	963,900	1,072,500
G & A Expenses (Schedule 4)	<u>111,102</u>	<u>114,960</u>
Total Operations & Maintenance Budget	<u>\$2,519,002</u>	<u>\$2,619,460</u>
Estimate	<u>\$2,519,000</u>	<u>\$2,619,460</u>

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN RESERVOIR SYSTEM

PROPOSED OPERATIONS & MAINTENANCE DIRECT EXPENSE BUDGET (40)

FISCAL YEAR 2016
(7/01/15-6/30/16)

<u>CODE</u>	<u>ACCOUNT DESCRIPTION</u>	<u>ADOPTED</u> <u>F/Y15</u>	<u>RESERVOIR</u> <u>DIRECT</u>	<u>PROPOSED</u> <u>F/Y16</u>
5200	On-site Residences	\$		\$
5211	Heating Fuel			
5220	Utility Electric	60,700		80,500
5230	Utility Gas Service & Water	6,500		8,000
5240	Utility Propane			
5250	Electricity for Pumping	346,900		346,900
5260	Fuel Vehicular			
5270	Oil & Grease			
5280	Tires			
5290	Maintenance Supplies	2,000		2,000
5300	Maintenance Supplies Vehicle Equip			
5310	Vehicle Service Repair-Major			
5320	Agriculture Supplies			
5330	Maintenance of Equipment	45,500		45,500
5340	Service Maintenance Contracts	21,000	(Sch 9)	33,000
5350	Equipment Rental	6,500		6,500
5360	Safety Supplies	500		500
5380	Special & Professional Services	76,000	(Sch 11)	124,900
5390	Protective Services	258,900	(Sch 14)	285,300
5400	Telephone	5,000		5,000
5410	Postage & Freight			
5420	Data Processing			
5430	Printing & Office Supplies	1,500		1,500
5440	Scientific & Photography	5,000		5,000
5450	Dues & Subscriptions			
5460	Advertising & Promotion	1,500		1,500
5470	Travel & Subsistence			
5480	Staff Training			
5490	Fees & Permits	33,600		33,600
5500	Pay In-Lieu Taxes	36,800		36,800
5510	Sediment Removal	<u>56,000</u>		<u>56,000</u>
TOTAL O & M DIRECT EXPENSE BUDGET		\$ <u>963,900</u>		<u>\$1,072,500</u>

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN RESERVOIR SYSTEM

PROPOSED GENERAL & ADMINISTRATIVE EXPENSE BUDGET (60)

FISCAL YEAR 2016
(7/01/15-6/30/16)

<u>CODE</u>	<u>ACCOUNT DESCRIPTION</u>	ADOPTED G & A <u>F/Y15</u>	PROPOSED G & A <u>F/Y16</u>
	Salaries & Fringe Benefits	\$2,928,150	\$2,928,150
5200	On-site Residences		
5211	Heating Fuel		
5220	Utility Electric		
5230	Utility Gas Service & Water		
5240	Utility Propane		
5250	Electricity for Pumping		
5260	Fuel Vehicular	35,000	35,000
5270	Oil & Grease	5,900	5,900
5280	Tires	6,000	6,000
5290	Maintenance Supplies	27,300	27,300
5300	Maintenance Supplies Vehicle Equip	7,100	7,100
5310	Vehicle Service Repair-Major	22,000	29,000
5320	Agriculture Supplies	5,200	5,200
5330	Maintenance of Equipment	12,000	10,000
5340	Service Maintenance Contracts	16,500	(Sch 10) 12,500
5350	Equipment Rental	3,400	3,400
5360	Safety Supplies	8,500	8,500
5380	Special & Professional Services	3,600	(Sch 12) 3,600
5390	Protective Services		
5400	Telephone	6,500	6,500
5410	Postage & Freight	1,000	1,000
5420	Data Processing	10,100	9,000
5430	Printing & Office Supplies	7,300	7,300
5440	Scientific & Photography	300	300
5450	Dues & Subscriptions	2,500	2,500
5460	Advertising & Promotion	1,500	1,500
5470	Travel & Subsistence	500	500
5480	Staff Training	11,400	11,400
5490	Fees & Permits	3,800	7,000
5500	Pay In-Lieu Taxes		
5510	Sediment Removal		
SUB-TOTAL G & A EXPENSE BUDGET		<u>\$197,400</u>	<u>\$200,500</u>
TOTAL G & A WITH SALARIES & FRINGES		<u>\$3,125,550</u>	<u>\$3,236,850</u>

Allocation of Direct General & Administrative Expense Budget - See Appendix I for basis of Allocation. (Page 6, Columns 2, 3, 4 & 5)

Reservoir System	\$ 111,102	\$ 114,960
Treatment/Transmission System	\$ 86,298	\$ 85,540
Total	\$ 197,400	\$ 200,500

NEW JERSEY WATER SUPPLY AUTHORITY

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

FISCAL YEAR 2016
(7/01/15-6/30/16)

	<u>TOTAL HEADQUARTERS CHARGE</u>	<u>MANASQUAN RESERVOIR SYSTEM</u>	<u>MANASQUAN WTP/TS</u>
Budgeted - Appendix I, Page 5, amount to be charged to Manasquan System for F/Y16 (7/01/15-6/30/15)	\$ 794,353	\$ 689,400	\$ 104,953
F/Y14 Adjustment as per audited Expenditures:			
Budgeted as per rate schedule for F/Y14 (7/01/13-6/30/14). Amounts paid during F/Y11 to Raritan Basin System	776,545	673,945	102,600
Actual allocation based upon audited expenditures F/Y14 (7/01/13-6/30/14) Appendix II, Page 5	<u>719,387</u>	<u>624,339</u>	<u>95,048</u>
Adjustments F/Y14	\$ <u>(57,158)</u>	\$ <u>(49,606)</u>	\$ <u>(7,552)</u>
Net Allocation for F/Y16 Budget	\$ <u>737,195</u>	\$ <u>639,794</u>	\$ <u>97,401</u>
PROPOSED	\$ <u>737,000</u>	\$ <u>640,000</u>	\$ <u>97,000</u>

NEW JERSEY WATER SUPPLY AUTHORITY

MANASQUAN WATER SUPPLY SYSTEM

LABOR PROJECTION

FY16 (7/01/15- 6/30/16)

TITLES	RANGE	SALARY	FRINGE BENEFITS	OVERTIME	CLOTHING ALLOWANCE	SHIFT DIFFERENTIAL	TOTAL	ALLOCATION RESERVOIR %	AMOUNT RESERVOIR	ALLOCATION WTP/TS %	AMOUNT WTP/TS
Manager	34	110,000.00	72,828.00	0.00	0.00	0.00	182,828.00	54%	98,700.00	46%	84,128.00
Project Engineer III	23	75,400.00	49,920.00	0.00	0.00	0.00	125,320.00	50%	62,700.00	50%	62,820.00
Water Supply Tech.	14	49,800.00	33,335.00	0.00	550.00	0.00	83,685.00	50%	46,900.00	44%	36,785.00
Administrative Assistant	18	84,200.00	42,505.00	0.00	0.00	0.00	106,705.00	54%	57,700.00	46%	49,005.00
Supervisor Technical Facilities Maint	23	80,800.00	61,886.00	12,244.00	550.00	0.00	155,560.00	37%	57,500.00	63%	98,060.00
Water Supply Tech.	14	43,300.00	29,424.00	693.00	550.00	0.00	73,867.00	56%	41,400.00	44%	32,467.00
Maintenance Worker I	10	42,900.00	28,767.00	0.00	550.00	0.00	72,217.00	88%	63,500.00	12%	8,717.00
Supervisor Operations	28	89,000.00	58,924.00	0.00	0.00	0.00	147,924.00	24%	35,500.00	76%	112,424.00
Equipment Operator	12	48,300.00	32,584.00	366.00	550.00	0.00	81,800.00	83%	67,800.00	17%	14,000.00
Foreman Bldg & Grounds Maint	19	87,200.00	45,620.00	1,155.00	550.00	0.00	114,525.00	76%	87,100.00	24%	27,425.00
Foreman Facilities Maintenance	20	89,200.00	47,450.00	1,920.00	550.00	0.00	119,120.00	43%	51,200.00	57%	67,920.00
Facilities Mechanic (3 Positions)	18	190,500.00	129,127.00	2,885.00	1,650.00	0.00	324,162.00	45%	145,900.00	55%	178,262.00
Supervisor Plant Operator	21	73,700.00	52,055.00	4,304.00	550.00	71.00	130,680.00	34%	44,500.00	66%	86,180.00
Maintenance Worker I Operations	10	44,200.00	29,628.00	0.00	550.00	0.00	74,378.00	90%	67,000.00	10%	7,378.00
Reservoir System Operator (5 Positions)	15	259,400.00	193,656.00	28,523.00	2,750.00	1,829.00	486,158.00	98%	466,700.00	4%	19,458.00
Plant Operator (6 Positions)	18	399,400.00	301,711.00	54,010.00	3,300.00	0.00	757,421.00	5%	37,900.00	95%	719,521.00
TOTAL:		1,706,300.00	1,209,500.00	106,000.00	12,650.00	1,900.00	3,036,350.00		1,432,000.00		1,604,350.00

TOTAL = 27 Positions

NOTE: A. PERCENTAGES ARE FROM THE AVERAGE OF FISCAL YEARS 2011 THROUGH 2014 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 2016
AND EXPENDITURES THROUGH 3/31/15 FOR FISCAL YEAR 2015

CODE	ACCOUNT	ADOPTED BUDGET FY15	PROPOSED BUDGET FY16	EXPENDITURES THRU 3/31/15
5200	ON-SITE RESIDENCE			
5211	HEATING FUEL			
5220	UTILITIES-ELECTRICAL SERVICE	60,700	80,500	87,025
5230	UTILITIES-GAS SERVICE & WATER	6,500	8,000	7,337
5240	UTILITIES-PROPANE			
5250	ELECTRICITY FOR PUMPING	346,900	346,900	192,954
5260	VEHICULAR FUEL			
5270	OIL & GREASE			
5280	TIRES			
5290	MAINTENANCE SUPPLIES	2,000	2,000	1,750
5300	MAINT. SUPPLIES-VEHICULAR EQUIPMENT			
5310	MAJOR SPECIAL VEHICLE SERVICE & REPAIR			
5320	AGRICULTURAL SUPPLIES			
5330	MAINTENANCE OF EQUIPMENT	45,500	45,500	40,940
5340	SERVICE & MAINTENANCE CONTRACTS	21,000	33,000	41,436
5350	EQUIPMENT RENTAL	6,500	6,500	5,307
5360	HOUSEHOLD-SAFETY & PROTECTIVE SUPPLIES	500	500	692
5370	UNIFORMS			
5380	SPECIAL & PROFESSIONAL SERVICES	76,000	124,900	60,398
5390	INSURANCE	258,900	285,300	193,528
5400	TELEPHONE	5,000	5,000	4,712
5410	POSTAGE & FREIGHT			
5420	DATA PROCESSING			
5430	PRINTING & OFFICE SUPPLIES	1,500	1,500	708
5440	SCIENTIFIC & PHOTOGRAPHIC	5,000	5,000	632
5450	DUES & SUBSCRIPTIONS			
5460	ADVERTISING	1,500	1,500	579
5470	TRAVEL & SUBSISTENCE			
5480	STAFF TRAINING & TUITION AID			
5490	FEES & PERMITS	33,600	33,600	31,255
5500	IN-LIEU TAXES	36,800	36,800	36,756
5510	SEDIMENT REMOVAL	56,000	56,000	375
	TOTALS	\$963,900	\$1,072,500	\$706,384

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN RESERVOIR SYSTEM
GENERAL & ADMINISTRATIVE EXPENSE BUDGET (60)

PROPOSED OPERATING EXPENSE BUDGET FOR FISCAL YEAR 2016
AND EXPENDITURES THROUGH 3/31/15 FOR FISCAL YEAR 2015

CODE	ACCOUNT	ADOPTED BUDGET FY15	PROPOSED BUDGET FY16	EXPENDITURES THRU 3/31/15
5110	REGULAR SALARIES & WAGES	\$1,678,050	\$1,720,850	\$1,199,761
5120	OVERTIME-SALARIES & WAGES	106,000	106,000	62,162
5150	FRINGE BENEFITS	937,600	1,003,000	618,647
5160	RETIREE HEALTH BENEFITS	201,500	201,500	78,815
5168	WORKERS' COMP. (SELF INSURED)	5,000	5,000	880
	TOTAL SALARY, OVERTIME & FRINGE BENEFITS	\$2,928,150	\$3,036,350	\$1,960,265
5201	ON-SITE RESIDENCE (WINDELER HOUSE)			
5210	HEATING FUEL			
5220	UTILITIES-ELECTRICAL SERVICE			
5230	UTILITIES-GAS SERVICE & WATER			
5240	UTILITIES-PROPANE			
5250	ELECTRICITY FOR PUMPING			
5260	VEHICULAR FUEL	35,000	35,000	16,454
5270	OIL & GREASE	5,900	5,900	6,088
5280	TIRES	6,000	6,000	3,268
5290	MAINTENANCE SUPPLIES	27,300	27,300	33,415
5300	MAINT. SUPPLIES-VEHICULAR EQUIPMENT	7,100	7,100	4,210
5310	MAJOR SPECIAL VEHICLE SERVICE & REPAIR	22,000	29,000	16,716
5320	AGRICULTURAL SUPPLIES	5,200	5,200	492
5330	MAINTENANCE OF EQUIPMENT	12,000	10,000	4,171
5340	SERVICE & MAINTENANCE CONTRACTS	16,500	12,500	4,877
5350	EQUIPMENT RENTAL	3,400	3,400	1,491
5360	HOUSEHOLD-SAFETY & PROTECTIVE SUPPLIES	8,500	8,500	4,526
5370	UNIFORMS			
5380	SPECIAL & PROFESSIONAL SERVICES	3,600	3,600	1,457
5390	INSURANCE			
5400	TELEPHONE	6,500	6,500	4,111
5410	POSTAGE & FREIGHT	1,000	1,000	339
5420	DATA PROCESSING	10,100	9,000	6,224
5430	PRINTING & OFFICE SUPPLIES	7,300	7,300	9,036
5440	SCIENTIFIC & PHOTOGRAPHIC	300	300	
5450	DUES & SUBSCRIPTIONS	2,500	2,500	83
5460	ADVERTISING	1,500	1,500	2,626
5470	TRAVEL & SUBSISTENCE	500	500	221
5480	STAFF TRAINING & TUITION AID	11,400	11,400	3,173
5490	FEES & PERMITS	3,800	7,000	3,205
5500	IN-LIEU TAXES			
5510	SEDIMENT REMOVAL			
	SUB TOTALS	\$197,400	\$200,500	\$126,183
	TOTALS	\$3,125,550	\$3,236,850	\$2,086,447

NEW JERSEY WATER SUPPLY AUTHORITY
MANASQUAN RESERVOIR WATER SUPPLY SYSTEM

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

FISCAL YEAR 2016

		ADOPTED <u>F/Y15</u>	PROPOSED <u>F/Y16</u>
1.	HVAC/Dehumidifier Service	\$ 500	\$ 500
2.	Instrumentation & Control System Service/Upgrade.....	2,000	2,000
3.	Electrical Upgrade & Repair	4,000	12,000
4.	Overhead Crane Service & Inspection	1,000	2,000
5.	Fire & Intrusion Alarm Service.....	1,500	1,500
6.	Potable Well/Septic Service	500	1,500
7.	Fertilization-Dam Dike.....	2,000	3,000
8.	Roadway Crack Sealing	1,500	1,500
9.	Wood Debris Removal	2,500	2,500
10.	Access Roadway Repairs	2,500	2,500
11.	Roofing System Maintenance & Repair	<u>3,000</u>	<u>4,000</u>
	Total Service & Maintenance Contracts.....	\$ <u>21,000</u>	\$ <u>33,000</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 2016

		ADOPTED <u>F/Y15</u>	PROPOSED <u>F/Y16</u>
1.	Refuse & Waste Disposal.....	\$ 2,200	\$ 1,700
2.	Office Equipment/Computers.....	2,100	1,600
3.	Waste Oil Disposal.....	1,600	1,100
4.	Fire Extinguisher Service.....	1,100	1,100
5.	UST Monitor Service.....	1,000	750
6.	Building Maintenance.....	1,000	750
7.	Internet Service.....	3,000	2,000
8.	Janitorial Service.....	3,100	2,100
9.	Vehicle Lift Inspection.....	400	400
10.	Generator Service & Maintenance.....	<u>1,000</u>	<u>1,000</u>
	Total Service & Maintenance Contracts	\$ <u>16,500</u>	\$ <u>12,500</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 2016

		ADOPTED <u>F/Y15</u>	PROPOSED <u>F/Y16</u>
1.	Laboratory Services-Water Quality Sampling	\$ 2,000	\$ 2,000
2.	Consultant Services	7,000	15,000
3.	Services-USGS Cooperative Agreement	30,800	31,700
4.	Annual Trustee Fund	9,500	9,500
5.	Dam Management--Surveying	2,500	2,500
6.	Wetland Monitoring Management	1,200	1,200
7.	Lake Management Consultants	19,500	19,500
8.	Engineering Services	2,500	2,500
9.	Financial Advisory Services	1,000	1,000
10.	USGS Gaging Station Squankum	<u>0</u>	<u>40,000</u>
	Total Special & Professional Services	\$ <u>76,000</u>	\$ <u>124,900</u>

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 2016

		ADOPTED <u>F/Y15</u>	PROPOSED <u>F/Y16</u>
1.	Pulmonary Testing.....	\$ 1,500	\$ 1,500
2.	CDL Medical Testing.....	500	500
3.	EAS Service	1,200	1,200
4.	Pre-Employment Physicals.....	<u>400</u>	<u>400</u>
Total Special & Professional Services		\$ <u>3,600</u>	\$ <u>3,600</u>

Manasquan Water Supply System
PROPOSED CAPITAL EQUIPMENT BUDGET
 Fiscal Year 2016

Description	(A)Addition (R)Replacement	Year of Purchase Vehicle/Equipment	Dollar Value	%	Manasquan Reservoir	Manasquan WTP/TS	Reservoir Depreciation Reserve	WTP/TS Depreciation Reserve
(1) NJWA-55 F250 UTILTY TRUCK	(R) TRN438	2006	34,000	45/55	15,300	18,700	12,533	8,355
(1) NJWA-63	(R) TRN394	2003	29,000	75/25	21,750	7,250	11,245	3,748
(1) NJWA-65	(R) TRN445	2006	29,000	60/40	17,400	11,600	8,846	5,897
(1) CRAWLER LOADER	(R) TRN217	1991	115,000	80/20	92,000	23,000	60,759	3,198
(1) SURFACE SCATTER TURBIDIMETER FOR INTAKE PUMP STATION SCADA	(A)		6,000	100/0	6,000	0		
(1) TOWABLE WOOD/BRUSH CHIPPER	(A)		37,000	100/0	37,000	0		
TOTAL			250,000					

*Per Resolution #861, dated 7/12/93 Asset Definition minimum is \$1,000.	0
Less Amount charged to Reservoir Depreciation Reserve	93,383
Less Amount charged to WTP/TS Depreciation Reserve	21,198

Total 96,067 39,352

Estimate \$96,100 \$39,400

PROJECTED FY 2016 NEW JERSEY WATER SUPPLY AUTHORITY INSURANCE PROGRAM

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

NEW JERSEY WATER SUPPLY AUTHORITY
 MANASQUAN RESERVOIR WATER SUPPLY SYSTEM

UNANTICIPATED REVENUE

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

	<u>AMOUNT</u>
F/Y2014 Net Year-End Balance	\$600,000.00

<u>OVERDRAFT</u>	<u>INVOICE NO.</u>	<u>RECEIVED</u>	<u>AMOUNT</u>
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ADDITIONAL SOURCES

Source Water Protection Fund	\$ 40,000.00
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TOTAL AVAILABLE	<u>\$640,000.00</u>
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ESTIMATE FOR FY16	<u>\$640,000.00</u>
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NEW JERSEY WATER SUPPLY AUTHORITY
 MANASQUAN WATER SUPPLY SYSTEM
 MANASQUAN RESERVOIR SYSTEM

DEFINITIONS AND EXPLANATION OF THE FISCAL YEAR 2016 OPERATING EXPENSE ACCOUNTS

**ACCOUNT
CODE**

TITLE

5110 **SALARIES AND WAGES**

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

	<u>Adopted F/Y15</u>	<u>Proposed F/Y16</u>
Budgeted Positions	27	27
Expenditures:		
Regular Salaries	\$1,678,050	\$1,706,300
Overtime	106,000	106,000
Fringe Benefits	937,600	1,017,550
Retiree Health Benefits	201,500	201,500
Worker's Compensation (self-insured)	<u>5,000</u>	<u>5,000</u>
Total Salaries and Fringe Benefits	<u>\$2,928,150</u>	<u>\$3,036,350</u>
Allocation to Reservoir	<u>\$1,444,000</u>	<u>\$1,432,000</u>
Anticipated Decrease for F/Y16	\$	12,000

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.

5211 **HEATING FUEL**

This account covers the cost of heating oil.

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

**ACCOUNT
CODE**

TITLE

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 VEHICLE SERVICE AND REPAIR

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.

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 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.

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, 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.

5350

EQUIPMENT RENTAL

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.

DEFINITIONS AND EXPLANATION OF THE FISCAL YEAR 2016 OPERATING EXPENSE ACCOUNTS

**ACCOUNT
CODE**

TITLE

5360 HOUSEHOLD, SAFETY AND PROTECTIVE SUPPLIES

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.

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, laboratory services, gaging station agreement, CSL testing service, employee assistance services, etc.

5390 PROTECTIVE SERVICES

This account covers the yearly cost of insurance premiums prorated to the Manasquan Reservoir 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 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.

DEFINITIONS AND EXPLANATION OF THE FISCAL YEAR 2016 OPERATING EXPENSE ACCOUNTS

<u>ACCOUNT CODE</u>	<u>TITLE</u>
5440	<u>SCIENTIFIC AND PHOTOGRAPHIC</u> This account covers the cost of video and photographic supplies, blueprinting supplies, laboratory supplies, surveying and engineering supplies and recording charts and pens.
5450	<u>DUES AND SUBSCRIPTION</u> This account covers the cost of subscriptions to newspapers, magazines, periodicals, reference books, other publications and membership fees in professional societies and associations.
5460	<u>ADVERTISING</u> This account covers the cost of legal and classified advertising in newspapers for bids, recruiting, and public notifications.
5470	<u>TRAVEL AND SUBSISTENCE</u> This account covers the cost of travel and subsistence expenses reimbursable to an employee or chargeable to the Authority under the provisions of "The Regulations Governing Employee Expense Reimbursements". It includes travel expenses, employee allowances, entertainment of business guests, staff and departmental meal expenses.
5480	<u>STAFF TRAINING AND TUITION AID</u> This account provides funds for employees' attendance at various technically related and approved courses, training programs, conferences, etc.
5490	<u>FEES AND PERMITS</u> 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.
5500	<u>IN-LIEU TAXES</u> This account covers the funds for Reservoir and Intake Facilities in-lieu tax payment.
5510	<u>SEDIMENT REMOVAL</u> This account covers the yearly costs associated with residuals handling, removal, moisture reduction and ultimate disposal as it pertains to river sediment.

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.