

# **NEW JERSEY WATER SUPPLY AUTHORITY**

## **MANASQUAN RESERVOIR SYSTEM**

### **FISCAL YEAR 2027 BUDGET**

(July 1, 2026 - June 30, 2027)

Proposed  
April 6, 2026

## **RARITAN BASIN SYSTEM**

### **FISCAL YEAR 2029 BUDGET**

(July 1, 2026 - June 30, 2027)

Proposed  
April 6, 2026

## **MANASQUAN WATER TREATMENT PLANT AND TRANSMISSION SYSTEM**

### **FISCAL YEAR 2027 BUDGET**

(July 1, 2026 - June 30, 2027)

Presentation Only

# NEW JERSEY WATER SUPPLY AUTHORITY



## MANASQUAN RESERVOIR SYSTEM

### FISCAL YEAR 2027 BUDGET

(July 1, 2026 - June 30, 2027)

NEW JERSEY WATER SUPPLY AUTHORITY  
MANASQUAN RESERVOIR SYSTEM

**PROPOSED**

FISCAL YEAR 2026 BUDGET  
(July 1, 2026-June 30, 2027)

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NEW JERSEY WATER SUPPLY AUTHORITY  
MANASQUAN RESERVOIR SYSTEM

**PROPOSED FISCAL YEAR 2027 BUDGET SUMMARY**

(7/1/26-6/30/27)

	ADOPTED F/Y2026 <u>Reservoir Budget</u>	PROPOSED F/Y2027 <u>Reservoir Budget</u>
Proposed Operating Expense Budget (Schedule 2)	\$ 3,201,042	\$ 3,547,877
Proposed Capital Equipment Budget (Schedule 13)	44,353	187,901
Allocation of Headquarters General & Administrative Expenses to the Manasquan Reservoir System (Schedule 5)	770,000	716,000
 Total Operating Expense Budget & Capital Equipment Budget	 4,015,395	 4,451,778
 Adjustment for Salary & Fringe Expenses to be paid from the WTP/TS Account	 149,359	 132,983
 Contributions to Debt Service and Reserve Funds		
Renewal & Replacement	10,000	10,000
Sediment Reserve	5,000	5,000
Formal Dam Inspection Reserve	120,000	120,000
High Voltage Testing Reserve	15,000	15,000
Delayed Debt Service Fund (120 percent coverage)	710,513	710,513
NJEIFP Debt Service	176,921	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>4,343,547</u>	<u>4,343,547</u>
 Total Proposed Budget	 <u>\$ 8,508,301</u>	 <u>\$ 8,928,308</u>
 Revenues		
Operating and Maintenance Component	3,161,735	3,161,701
Appropriation from General Fund (Rate Stabilization)	792,420	1,275,760
Delayed Debt Service (120 percent coverage)	710,513	710,513
NJEIFP Debt Service	176,921	176,921
Source Water Protection Program Component	106,450	106,450
Capital Fund Component	3,199,663	3,199,663
Interest Earnings	360,600	297,300
Total Revenue	<u>\$ 8,508,301</u>	<u>\$ 8,928,308</u>

Table 1

NEW JERSEY WATER SUPPLY AUTHORITY  
MANASQUAN RESERVOIR SYSTEM

**RATE HISTORY OF WATER CHARGES PER MILLION GALLONS OF RAW WATER DAILY  
FY2007-FY2027 – 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, 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%
July 1, 2022	445.82	15.00	0.00	24.93	525.00	\$1,010.75	0.00%
July 1, 2023	445.82	15.00	0.00	24.93	525.00	\$1,010.75	0.00%
July 1, 2024	445.82	15.00	0.00	24.93	525.00	\$1,010.75	0.00%
July 1, 2025	445.82	15.00	0.00	24.93	525.00	\$1,010.75	0.00%
<b>July 1, 2026</b>	<b>445.82</b>	<b>15.00</b>	<b>0.00</b>	<b>24.93</b>	<b>525.00</b>	<b>\$1,010.75</b>	<b>0.00%</b>

Table 2

NEW JERSEY WATER SUPPLY AUTHORITY  
MANASQUAN RESERVOIR SYSTEM

**RATE HISTORY OF WATER CHARGES PER MILLION GALLONS OF RAW WATER DAILY  
FY2007-FY2027 – 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&amp;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, 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%
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%
July 1, 2022	445.82	15.00	438.92	24.93	200.00	\$1,124.67	0.00%
July 1, 2023	445.82	15.00	438.92	24.93	200.00	\$1,124.67	0.00%
July 1, 2024	445.82	15.00	438.92	24.93	200.00	\$1,124.67	0.00%
July 1, 2025	445.82	15.00	438.92	24.93	200.00	\$1,124.67	0.00%
<b>July 1, 2026</b>	<b>445.82</b>	<b>15.00</b>	<b>438.92</b>	<b>24.93</b>	<b>200.00</b>	<b>\$1,124.67</b>	<b>0.00%</b>

NEW JERSEY WATER SUPPLY AUTHORITY  
MANASQUAN RESERVOIR SYSTEM

**DEBT SERVICE COVERAGE**

FISCAL YEAR 2027  
(7/1/26-6/30/27)

DEBT SERVICE COVERAGE	Budgeted F/Y2027
<u>Revenues</u>	
Uninterruptible Water Sales	\$ 7,073,983
Interest Income	\$ 297,300
Total Revenues	\$ 7,371,283
 <u>Expenses</u>	
O&M Costs	\$ 3,547,877
Overhead Allocation	\$ 716,000
Total O&M	\$ 4,263,877
Cash Available for Debt Service - A	\$ 3,107,406
Net Debt Service Expense	\$ 575,213
Debt Service Coverage Calculation - A/B	5.40
Cash After Debt Service A-B	\$ 2,532,193

NEW JERSEY WATER SUPPLY AUTHORITY  
MANASQUAN RESERVOIR SYSTEM

**TOTAL OPERATIONS & MAINTENANCE BUDGET**

FISCAL YEAR 2027  
(7/01/26-6/30/27)

	F/Y2026 Reservoir Adopted	F/Y2027 Reservoir Proposed
Salaries & Fringe Benefits	\$1,807,504	\$1,849,813
O & M Direct Expense	1,254,158	1,557,358
G&A Expenses	139,380	140,706
Total Operations & Maintenance Budget	\$3,201,042	\$3,547,877

NEW JERSEY WATER SUPPLY AUTHORITY  
MANASQUAN RESERVOIR SYSTEM

**PROPOSED OPERATIONS & MAINTENANCE DIRECT EXPENSE BUDGET (40)**

FISCAL YEAR 2027  
(7/01/26-6/30/27)

CODE	ACCOUNT	FY '26 ADOPTED	FY '27 PROPOSED
5200	Residences	-	-
5210	Heating Fuel	2,000	2,000
5220	Utilities -Electrical Service	105,600	122,100
5230	-Gas Service	12,450	12,450
5240	-Propane	-	-
5250	Electricity for Pumping Station	331,500	348,000
5260	Fuel - Vehicular	-	-
5270	Oil & Grease	-	-
5280	Tires	-	-
5290	Maintenance Supplies	12,400	14,400
5300	Maint. Supplies - Vehicular	-	-
5310	Major Vehicle Service & Repair	-	-
5320	Agricultural Supplies	-	-
5330	Maintenance Equipment	56,700	60,000
5340	Serv. & Maintenance Contracts	46,650	52,050
5350	Equipment Rental	6,500	7,800
5360	Household - Safety Supplies	1,000	2,160
5370	Uniforms	-	-
5380	Special & Professional Services	66,850	232,490
5390	Protective Services	520,000	607,320
5400	Telephone	3,908	3,908
5410	Postage & Freight Out	-	-
5420	Data Processing	-	-
5430	Printing & Office Supplies	2,960	4,040
5440	Scientific & Photographic	6,140	6,140
5450	Dues & Subscriptions	-	-
5460	Advertising & Promotional	2,200	2,200
5,470	Travel & Subsistence	-	-
5480	Staff Training & Tuition Aid	-	-
5490	Fees & Permits	39,000	42,000
5500	In - Lieu Taxes	38,300	38,300
5510	Sediment Removal	-	-
5520	Chemicals	-	-
5525	Carbon Filter Replacement	-	-
	Total Other Expenses	1,254,158	1,557,358
	Total Operating Expenses	1,254,158	1,557,358

NEW JERSEY WATER SUPPLY AUTHORITY  
MANASQUAN RESERVOIR SYSTEM

**PROPOSED GENERAL & ADMINISTRATIVE EXPENSE BUDGET (60)**

FISCAL YEAR 2027  
(7/01/26-6/30/27)

CODE	ACCOUNT	FY '26 ADOPTED	FY '27 PROPOSED
5110	Regular Salaries & Wages	2,147,250	2,189,450
5120	Overtime-Salaries & Wages	115,600	115,882
5130	New positions-Salaries & Wages		
5140	Seasonal Help-Salaries & Wages		
5150	Fringe Benefits	1,254,050	1,365,500
5160	Retiree Health Benefits	252,950	286,900
5168	Workers Comp. (Self-Insured)	5,000	5,000
	Total Salary, Wages & Fringe	\$3,774,850	\$3,962,732
	Budget - salary and fringe		
5200	Residences	0	0
5210	Heating Fuel	0	0
5220	Utilities -Electrical Service	0	0
5230	-Gas Service	0	0
5240	-Propane	0	0
5250	Electricity for Pumping Station	0	0
5260	Fuel - Vehicular	33,600	39,960
5270	Oil & Grease	8,300	8,300
5280	Tires	12,000	12,000
5290	Maintenance Supplies	27,300	27,300
5300	Maint. Supplies - Vehicular	14,000	14,000
5310	Major Vehicle Service & Repair	35,000	35,000
5320	Agricultural Supplies	8,100	8,100
5330	Maintenance Equipment	7,100	7,100
5340	Serv. & Maintenance Contracts	25,300	25,300
5350	Equipment Rental	3,300	4,500
5360	Household - Safety Supplies	13,700	13,700
5370	Uniforms	0	0
5380	Special & Professional Services	10,000	10,000
5390	Protective Services	0	0
5400	Telephone	4,560	4,560
5410	Postage & Freight Out	1,200	1,200
5420	Data Processing	3,600	3,600
5430	Printing & Office Supplies	5,960	8,360
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	8,400	8,400
5490	Fees & Permits	6,500	6,500
5500	In - Lieu Taxes	-	-
5510	Residual Removal	-	-
5520	Water Treatment Chemicals	-	-
5525	GAC Replacement	-	-
	Total Other Expenses	234,220	244,180
	Total Operating Expenses	4,009,070	4,206,912

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 2027  
(7/01/26-6/30/27)

	<b>Total Headquarters Charge</b>	<b>Manasquan Reservoir System</b>	<b>Manasquan WTP/TS</b>
Budgeted-Appendix I, amount to be charged to Manasquan System for FY27 (7/1/26-6/30/27)	\$823,291	\$710,253	\$113,038
FY25 Adjustment as per audited Expenditures:			
Budgeted as per rate schedule for FY25 (7/1/24-6/30/25). Amounts paid during F/Y25 to Raritan Basin System.	\$933,000	\$805,000	\$128,000
Actual allocation based upon audited expenditures FY25 (7/1/24-6/30/25) - Appendix II	<u>\$940,804</u>	<u>\$810,902</u>	<u>\$129,902</u>
Adjustments FY25	<u>\$7,804</u>	<u>\$5,902</u>	<u>\$1,902</u>
Net Allocation for FY27 Budget	<u><u>\$831,095</u></u>	<u><u>\$716,155</u></u>	<u><u>\$114,940</u></u>
Estimate	<u>\$831,000</u>	<u>\$716,000</u>	<u>\$114,000</u>

NEW JERSEY WATER SUPPLY AUTHORITY  
MANASQUAN RESERVOIR SYSTEM

**LABOR PROJECTION**

FISCAL YEAR 2027  
(7/01/26-6/30/27)

TITLES	SALARY	FRINGE BENEFITS	OVERTIME	CLOTHING ALLOWANCE	SHIFT DIFFERENTIAL	TOTAL	ALLOCATION	AMOUNT	ALLOCATION	AMOUNT
							RESERVOIR %	RESERVOIR	WTP/TS %	WTP/TS
Director	162,000	116,470	-	-	-	278,470	50%	139,235	50%	139,235
Project Engineer III	89,700	64,489	-	-	-	154,189	50%	77,095	50%	77,094
Water Supply Tech.	81,000	58,630	-	550	-	140,180	62%	86,912	38%	53,268
Administrative Assistant	84,800	60,966	-	-	-	145,766	47%	68,510	53%	77,256
Supervisor Technical Facilities Maint	106,800	79,723	3,540	550	-	190,613	43%	81,964	57%	108,649
Sr. Water Supply Tech.	93,000	67,643	537	550	-	161,730	35%	56,606	65%	105,124
Maintenance Worker I	57,900	42,022	-	550	-	100,472	93%	93,439	7%	7,033
Supervisor Operations	130,400	93,750	-	-	-	224,150	25%	56,038	75%	168,112
Equipment Operator	58,900	42,741	-	550	-	102,191	94%	96,060	6%	6,131
Foreman Bldg & Grounds Maint	93,000	67,643	537	550	-	161,730	85%	137,471	15%	24,259
Foreman Facilities Maintenance	89,400	68,369	5,146	550	-	163,465	47%	76,829	53%	86,636
Facilities Mechanic (3 Positions)	205,500	151,625	3,750	1,650	-	362,525	45%	163,137	55%	199,388
Supervisor Plant Operator	84,600	64,882	5,097	550	-	155,129	37%	57,398	63%	97,731
Equipment Operator	54,000	39,218	-	550	-	93,768	92%	86,267	8%	7,501
Reservoir Sys Oper./Asst RSO (5 Positions)	305,800	248,086	36,521	2,750	-	593,157	95%	563,500	5%	29,657
Plant Operator (6 Positions)	477,100	391,143	60,754	3,300	2,900	935,197	1%	9,352	99%	925,845
TOTAL: (rounded)	<u>2,173,900</u>	<u>1,657,400</u>	<u>115,880</u>	<u>12,650</u>	<u>2,900</u>	<u>3,962,730</u>		<u>1,849,813</u>		<u>2,112,920</u>

NEW JERSEY WATER SUPPLY AUTHORITY  
MANASQUAN RESERVOIR SYSTEM

**DIRECT EXPENSE BUDGET (40) PROPOSED OPERATING EXPENSE BUDGET FOR FISCAL  
YEAR 2027 AND EXPENDITURES THROUGH 12/31/25 FOR FISCAL YEAR 2026**

CODE	ACCOUNT	ADOPTED BUDGET FY26	PROPOSED BUDGET FY27	EXPENDITURES THRU 12/31/25
5200	ON-SITE RESIDENCE	-	-	-
5210	HEATING FUEL	2,000	2,000	-
5220	UTILITIES-ELECTRICAL SERVICE	105,600	122,100	36,619
5230	UTILITIES-GAS SERVICE & WATER	12,450	12,450	4,718
5240	UTILITIES-PROPANE	-	-	-
5250	ELECTRICITY FOR PUMPING	331,500	348,000	123,303
5260	VEHICULAR FUEL	-	-	-
5270	OIL & GREASE	-	-	-
5280	TIRES	-	-	-
5290	MAINTENANCE SUPPLIES	12,400	14,400	1,604
5300	MAINT. SUPPLIES-VEHICULAR EQUIPMENT	-	-	-
5310	MAJOR SPECIAL VEHICLE SERVICE & REPAIR	-	-	-
5320	AGRICULTURAL SUPPLIES	-	-	-
5330	MAINTENANCE OF EQUIPMENT	56,700	60,000	12,508
5340	SERVICE & MAINTENANCE CONTRACTS	46,650	52,050	19,532
5350	EQUIPMENT RENTAL	6,500	7,800	1,847
5360	HOUSEHOLD-SAFETY & PROTECTIVE SUPPLIES	1,000	2,160	167
5370	UNIFORMS	-	-	-
5380	SPECIAL & PROFESSIONAL SERVICES	66,850	232,490	33,359
5390	PROTECTIVE SERVICES	520,000	607,320	254,621
5400	TELEPHONE	3,908	3,908	1,750
5410	POSTAGE & FREIGHT	-	-	-
5420	DATA PROCESSING	-	-	-
5430	PRINTING & OFFICE SUPPLIES	2,960	4,040	57
5440	SCIENTIFIC & PHOTOGRAPHIC	6,140	6,140	4,218
5450	DUES & SUBSCRIPTIONS	-	-	-
5460	ADVERTISING	2,200	2,200	317
5470	TRAVEL & SUBSISTENCE	-	-	69
5480	STAFF TRAINING & TUITION AID	-	-	2,711
5490	FEES & PERMITS	39,000	42,000	798
5500	IN-LIEU TAXES	38,300	38,300	36,756
5510	SEDIMENT REMOVAL	-	-	-
<b>TOTALS</b>		<b>1,254,158</b>	<b>1,557,358</b>	<b>534,954</b>

NEW JERSEY WATER SUPPLY AUTHORITY  
MANASQUAN RESERVOIR SYSTEM

**GENERAL & ADMINISTRATIVE EXPENSE BUDGET (60) PROPOSED OPERATING  
EXPENSE BUDGET FOR FISCAL YEAR 2027 AND EXPENDITURES THROUGH 12/31/25 FOR  
FISCAL YEAR 2026**

CODE	ACCOUNT	ADOPTED	PROPOSED	EXPENDITURES THRU 12/31/25
		BUDGET FY26	BUDGET FY27	
5110	REGULAR SALARIES & WAGES	2,147,250	2,189,450	1,017,443
5120	OVERTIME-SALARIES & WAGES	115,600	115,880	54,072
5150	FRINGE BENEFITS	1,254,050	1,365,500	649,737
5160	RETIREE HEALTH BENEFITS	252,950	286,900	118,857
5168	WORKERS' COMP. (SELF INSURED)	5,000	5,000	-
	TOTAL SALARY, OVERTIME & FRINGE BENEFIT	3,774,850	3,962,730	1,840,109
5201	ON-SITE RESIDENCE (WINDELER HOU)	-	-	-
5210	HEATING FUEL	-	-	-
5220	UTILITIES-ELECTRICAL SERVICE	-	-	-
5230	UTILITIES-GAS SERVICE & WATER	-	-	-
5240	UTILITIES-PROPANE	-	-	-
5250	ELECTRICITY FOR PUMPING	-	-	-
5260	VEHICULAR FUEL	33,600	39,960	12,750
5270	OIL & GREASE	8,300	8,300	1,205
5280	TIRES	12,000	12,000	3,483
5290	MAINTENANCE SUPPLIES	27,300	27,300	3,290
5300	MAINT. SUPPLIES-VEHICULAR EQUIPMENT	14,000	14,000	5,491
5310	MAJOR SPECIAL VEHICLE SERVICE & REPAIR	35,000	35,000	10,649
5320	AGRICULTURAL SUPPLIES	8,100	8,100	2,163
5330	MAINTENANCE OF EQUIPMENT	7,100	7,100	6,672
5340	SERVICE & MAINTENANCE CONTRACTS	25,300	25,300	6,447
5350	EQUIPMENT RENTAL	3,300	4,500	1,350
5360	HOUSEHOLD-SAFETY & PROTECTIVE SUPPLIES	13,700	13,700	5,177
5370	UNIFORMS	-	-	-
5380	SPECIAL & PROFESSIONAL SERVICES	10,000	10,000	317
5390	PROTECTIVE SERVICES	-	-	-
5400	TELEPHONE	4,560	4,560	1,891
5410	POSTAGE & FREIGHT	1,200	1,200	2,473
5420	DATA PROCESSING	3,600	3,600	1,314
5430	PRINTING & OFFICE SUPPLIES	5,960	8,360	2,844
5440	SCIENTIFIC & PHOTOGRAPHIC	300	300	-
5450	DUES & SUBSCRIPTIONS	3,000	3,000	288
5460	ADVERTISING	2,000	2,000	-
5470	TRAVEL & SUBSISTENCE	1,000	1,000	277
5480	STAFF TRAINING & TUITION AID	8,400	8,400	225
5490	FEES & PERMITS	6,500	6,500	971
5500	IN-LIEU TAXES	-	-	-
5510	SEDIMENT REMOVAL	-	-	-
	SUB TOTALS	234,220	244,180	69,277
	<b>TOTALS</b>	<b>4,009,070</b>	<b>4,206,910</b>	<b>1,909,386</b>

NEW JERSEY WATER SUPPLY AUTHORITY  
MANASQUAN RESERVOIR WATER SUPPLY SYSTEM

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

FISCAL YEAR 2027

	Adopted F/Y26	Proposed F/Y27
1 HVAC/Dehumidifier Service	\$ 500	\$ 500
2 Instrumentation & Control System Service/Upgrade	3,000	4,800
3 Electrical Upgrade & Repair	14,000	15,600
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 Underground Fuel Tank Testing & Repair	2,000	2,000
9 Roadway Crack Sealing	3,000	4,000
10 Wood Debris Removal/Herbicide Treatments	2,500	2,500
11 Access Roadway Repairs	2,500	2,500
12 Roofing System Maintenance & Repair	4,000	4,000
13 Reservoir Transmission Line Clearing	3,000	4,000
14 Fios Fiber Optic for Security Cameras	2,400	2,400
	<u>2,400</u>	<u>2,400</u>
Total Service & Maintenance Contracts	<u>\$ 46,650</u>	<u>\$ 52,050</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 2027

	Adopted F/Y26	Proposed F/Y27
1 Refuse & Waste Disposal	\$ 2,000	\$ 2,000
2 Office Equipment/Computers	1,800	1,800
3 Waste Oil Disposal	300	300
4 Fire Extinguisher Service	1,100	1,100
5 SCADA Service Contract	-	2,000
6 Building Maintenance	2,000	6,000
7 Internet Service	6,000	2,000
8 Janitorial Service	2,000	7,200
9 Vehicle Lift Inspection	7,200	500
10 Underground Fuel Storage Tank Service	500	2,400
	2,400	
Total Service & Maintenance Contracts	<u>\$ 25,300</u>	<u>\$ 25,300</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 2027

	Adopted F/Y26	Proposed F/Y27
1 Laboratory Services - Water Quality Sampling	\$ 240	\$ 480
3 Services-USGS Cooperative Agreement	35,000	40,400
4 Annual Trustee Fund	6,640	6,640
5 Dam Management-Surveying	120	120
6 Wetland Monitoring Management	8,000	8,000
7 Hydrilla Treatment and Water Quality Study	-	-
8 Engineering Services	4,000	4,000
9 Financial Advisory Services	4,850	4,850
10 Reservoir Algae and Wetlands Weed Treatments	8,000	168,000
Total Special & Professional Services	<u>\$ 66,850</u>	<u>\$ 232,490</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 2027

	Adopted F/Y26	Proposed F/Y27
	<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 The Bank of NY - Melon	2,300	2,300
5 Pre-Employment Physicals	<u>1,200</u>	<u>1,200</u>
 Total Special & Professional Services	 <u>\$ 10,000</u>	 <u>\$ 10,000</u>

NEW JERSEY WATER SUPPLY AUTHORITY  
 MANASQUAN RESERVOIR WATER SUPPLY SYSTEM

**PROPOSED CAPITAL EQUIPMENT BUDGET**

FISCAL YEAR 2027

Description	(A) Addition	Year of Purchase	Dollar		Manasquan	Manasquan	Reservoir	WTP/TS
	(R) Replacer	Vehicle/Equipment	Value	%	Reservoir	WTP/TS	Depreciation Reserve	Depreciation Reserve
Pick Up Truck - NJWA 55	R (557)	2015	75,000	45/55	33,750	41,250		
ZTR Mower Toro Ground Master 328D	R (471)	2009	30,000	84/16	25,200	4,800	21,049	0
Fixed vertical profiler water quality sonde	A		150,000		150,000			
		TOTAL	255,000		208,950	46,050	21,049	0
Less Amount charged to Reservoir Depreciation Reserve					21,049			
Less Amount charged to WTP/TS Depreciation Reserve								0
Total					187,901	46,050		
Additional Depreciation Reserve								0
Estimate					\$187,901	\$46,050		

NEW JERSEY WATER SUPPLY AUTHORITY  
MANASQUAN RESERVOIR WATER SUPPLY SYSTEM

**PROJECTED FY 2027 NEW JERSEY WATER SUPPLY AUTHORITY INSURANCE PROGRAM**

Policy	Raritan Basin System	Manasquan Reservoir System	Manasquan Water Treatment Plant and Transmission System	Total Premium
PROPERTY/MOBILE EQUIPMENT	1,373,640	\$468,120	\$140,880	\$1,982,640
GENERAL/AUTO LIABILITY	283,440	\$50,880	\$15,240	\$349,560
POLLUTION LIABILITY	80,160	\$7,200	\$1,440	\$88,800
WORKERS COMPENSATION	152,880	\$21,360	\$22,800	\$197,040
EXCESS LIABILITY	598,200	\$53,280	\$10,560	\$662,040
MANAGEMENT LIABILITY				
:PUBLIC OFFICIALS	55,680	\$4,920	\$960	\$61,560
:CYBER RISK	14,640	\$1,320	\$240	\$16,200
:FIDELITY & CRIME				
TRAVEL ACCIDENT	2,400	\$240	\$42	\$2,682
DRONE	1,320			\$1,320
<b>TOTAL:</b>	<b>\$2,562,360</b>	<b>\$607,320</b>	<b>\$192,162</b>	<b>\$3,361,842</b>

NEW JERSEY WATER SUPPLY AUTHORITY  
 MANASQUAN RESERVOIR WATER SUPPLY SYSTEM

**UNANTICIPATED REVENUE - FUNDS TO BE APPROPRIATED INTO RATE STABILIZATION  
 FUND FOR FISCAL YEAR 2027**

	<u>Amount</u>
F/Y2025 Net Year-End Balance	\$ 1,074,475
Excess D/S Coverage FY2027	\$ 115,000
<u>Overdraft</u>	
NJ American	
<u>Inv. Date</u>	<u>Amount</u>
Jun-25	\$ 28,770
Sep-24	\$ 13,087
Oct-24	\$ 43,689
Nov-25	\$ 740
Available for use in FY27	\$ 86,286

Additional Sources

<b>Total Available</b>	<u>\$ 1,275,761</u>
<b>Estimate for FY27</b>	<u>\$ 1,275,760</u>

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

**DEFINITIONS AND EXPLANATION OF THE FISCAL YEAR 2027 OPERATING EXPENSE ACCOUNTS**

**ACCOUNT  
CODE**

**TITLE**

5110            SALARIES AND WAGES

The following is a comparison of the subject expenditures for FISCAL YEAR 2027.

	Adopted FY26	Proposed FY27
Budgeted Positions	27	27
Expenditures:		
Regular Salaries	\$2,147,250	\$2,189,450
Overtime	\$115,600	\$115,880
Fringe Benefits	\$1,254,050	\$1,365,500
Retiree Health Benefits	\$252,950	\$286,900
Worker's Compensation	<u>\$5,000</u>	<u>\$5,000</u>
Total Salaries and Fringe Benefits	<b>\$3,774,850</b>	<b>\$3,962,730</b>
Allocation to Reservoir	\$1,807,504	\$1,849,813

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.

5220 UTILITIES - ELECTRICAL SERVICE (OTHER THAN PUMPING)

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 NATURAL GAS

This account covers the cost of heating portions of the Administration Building.

5240 PROPANE

This account covers the cost of propane fuel.

5250 ELECTRICITY FOR PUMPING

This account covers the cost of electricity to operate pumps at the Intake Pump Station and Reservoir Pump Station.

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 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, 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.

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.

5360 HOUSEHOLD -SAFETY PROTECTIVE SUPPLIES

Items used for cleaning and maintenance and to protect employees or individuals, such as personal protective equipment (PPE), fire safety equipment, first aid supplies, and gloves.

- 5380        SPECIAL & PROFESSIONAL SERVICES  
Services from individuals or firms possessing specialized knowledge, training, or certifications
- 5390        PROTECTIVE SERVICES  
Includes insurance expense (property, casualty, etc.)
- 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 \$5,000 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.
- 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 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, recruiting, and public notifications.
- 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 expenses, employee allowances, staff and departmental meal expenses.
- 5480        STAFF TRAINING AND TUITION AID

This account provides funds for employees' 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 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 IN-LIEU TAXES

This account covers the funds for Reservoir and Intake Facilities in-lieu tax payment.

5510 SEDIMENT REMOVAL

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 \$5,000 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.

# 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, 2027

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

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## **INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES**

To the Commissioners of  
New Jersey Water Supply Authority

We have performed the procedures enumerated below on the financial schedules for the fiscal year ending June 30, 2027. The Authority's management is responsible for preparing and presenting the financial schedules in accordance with the guidelines for the presentation of schedules established by the American Institute of Certified Public Accountants ("AICPA").

The Authority has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to assist the Authority with evaluating the underlying supporting documentation to determine the accuracy of the financial schedules in connection with setting water rates for each of the three operating systems. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated results are as follows:

1. We were provided with the fiscal year 2027 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 2027 budgeted expenses are based upon preliminary budgets that are subject to approval by the Authority's Commissioners. We obtained these documents without any exceptions.
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, 2025, and found them to be consistent.

We were engaged by the Authority to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the AICPA. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, about whether the forecasted cost allocation schedules are presenting the schedules in accordance with the guidelines for the presentation of schedules established by the AICPA. 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 ACCOUNTANTS' 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.

We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

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.

*Mercadion, P.C.*  
*Certified Public Accountants*

Hamilton, New Jersey

November 19, 2025

**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, 2027**

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' COMP.	8 IN LIEU TAXES	9 CHIEF ENGINEER SALARY & FRINGE	
	BUILDING HQ	\$ -	\$ 81,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 81,000
	TELEPHONE HQ	-	-	-	-	16,000	-	-	-	-	-	16,000
36	SAFETY	230,859	-	(5,000)	-	-	-	-	-	-	-	225,859
37	SECURITY	1,341,840	-	-	-	-	-	-	-	-	-	1,341,840
14	HUMAN RESOURCES	576,390	-	(3,950)	-	-	(10,000)	-	-	-	-	562,440
16	PURCHASING	578,220	-	(147,550)	-	(16,000)	(20,000)	-	-	-	-	394,670
17	INFORMATION SYSTEMS	277,930	-	-	-	-	-	-	-	-	-	277,930
15	CONTRACTS & RISK MGMT.	3,051,052	-	(35,000)	(2,562,360)	-	-	-	(18,700)	-	-	434,992
13	FINANCIAL MGMT.	1,434,510	-	(2,725)	-	-	-	-	-	-	-	1,431,785
34	AUTO SHOP	385,480	-	147,550	-	-	-	-	-	20,000	-	553,030
35	AUTO SHOP-CANAL	288,990	-	-	-	-	-	-	-	-	-	288,990
10	EXEC OFFICE	384,344	7,173	-	-	-	-	-	-	-	-	341,517
20 30 31 32 33	WATERSHED, ENGINEERING & O&M (RARTAN SYSTEM)	10,821,660	(88,173)	46,675	2,562,360	-	-	-	18,700	(23,810)	(23,810)	13,347,412
		19,321,275	-	-	-	-	-	-	-	(23,810)	(23,810)	19,297,465
40-60	MANASQUAN SYSTEM	3,213,460	-	-	-	-	-	-	-	23,810	-	3,237,270
		\$ 22,534,735	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 22,534,735

**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, 2027**

DEPT. #	DEPT./COST CENTER	REVISED 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	ALLOCATED COST CENTER COSTS
	BUILDING HQ	\$ 81,000	\$(81,000)												
	TELEPHONE HQ	16,000	-	\$(16,000)											
36	SAFETY	225,859	544	178	\$(226,581)										
37	SECURITY	1,341,840	3,063	533	17,580	\$(1,363,016)									
14	HUMAN RESOURCES	562,440	3,623	711	5,860	-	\$(672,634)								
16	PURCHASING	394,670	4,499	533	3,907	-	11,012	\$(414,621)							
17	INFORMATION SYSTEMS	277,930	811	178	1,953	-	5,506	18,097	\$(304,475)						
15	CONTRACTS & RISK MGMT.	434,992	2,649	356	3,907	-	11,012	8,567	8,229	\$(469,712)					
13	FINANCIAL MGMT.	1,431,785	7,730	1,067	11,720	-	33,037	7,174	24,687	-	\$(1,517,200)				
34	AUTO SHOP	553,030	12,174	356	3,907	-	11,012	17,240	8,229	-	47,222	\$(653,170)			
35	AUTO SHOP-CANAL	288,990	-	356	1,953	-	5,506	15,420	8,229	-	24,676	-	\$(345,130)		
10	EXEC OFFICE	341,517	10,698	1,422	1,953	-	5,506	1,927	8,229	-	29,162	-	-	\$(400,414)	
20 30 31 32 33	WATERSHED, ENGINEERING & O&M (RARITAN SYSTEM)	13,347,412	35,209	10,310	123,056	1,363,016	346,884	187,822	164,581	425,311	1,139,715	653,170	345,130	356,368	\$ 18,497,984
40-60	MANASQUAN SYSTEM	3,237,270	-	-	50,785	-	143,159	158,374	82,291	44,401	276,425	-	-	44,046	4,036,751
		\$ 22,534,735	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 22,534,735

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

**SCHEDULE OF FORECASTED COST ALLOCATION FACTORS  
YEAR ENDING JUNE 30, 2027**

DEPT. #	ALLOCATION OF: ALLOCATION BASIS: DEPT./COST CENTER	REQUIRED STATISTICS											EXEC. OFF TIME ESTIMATE				
		BUILDING HQ SQ. FT. #	TELEPHONES # OF TELEPHONES	SAFETY # OF EMPLOYEES	HUMAN RESOURCES # OF EMPLOYEES	PURCHASING # OF P.O.'S	INFORMATION SYSTEMS # OF COMPUTERS	CONTRACTS & RISK MGMT MGD CONTRACTS	FINANCE O&M FUNCTIONAL COST	AUTO SHOP # OF VEHICLES	AUTO SHOP # OF VEHICLES	AUTO SHOP CANAL # OF VEHICLES					
	BUILDING HQ																
	TELEPHONE HQ																
36	SAFETY	100	1														
37	SECURITY	563	3	9													
14	HUMAN RESOURCES	666	4	3													
16	PURCHASING	827	3	2	2												
17	INFORMATION SYSTEMS	149	1	1	1	169											
15	CONTRACTS & RISK MGMT.	487	2	2	2	80				2							
13	FINANCIAL MGMT.	1,421	6	6	6	67				6							
34	AUTO SHOP	2,238	2	2	2	161				2			\$ 553,030				
35	AUTO SHOP-CANAL	-	2	1	1	144				2			288,990				
10	EXEC OFFICE	1,967	8	1	1	18				2			341,517				
20 30 31 32 33	WATERSHED, ENGINEERING & O&M (RARITAN SYSTEM)	6,473	58	63	63	1,754				40		182	13,347,412	59	59		89.00 %
40-60	MANASQUAN SYSTEM	-	-	26	26	1,479				20		19	3,237,270	-	-		11.00
		14,890	90	116	104	3,872				74		201	\$ 17,768,219	59	59		100 %

**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, 2027**

	ALLOCATION BASIS					ALLOCATED COSTS
	1 LABOR PROJECTION	2 \$ VALUE OF VEHICLES	3 \$ VALUE OF EQUIPMENT	4 LABOR PROJECTION	5 VALUE OF WATER CONTRACTS	
COSTS						
<u>GENERAL &amp; ADMINISTRATIVE</u>						
SALARIES & FRINGES	\$ 3,962,732	\$ (3,962,732)				
VEHICLE RELATED	109,260	\$ (109,260)				
MAINT. SUPPLIES & RELATED	86,000	-	\$ (86,000)			
OFFICE & MISC.	48,920	-	-	\$ (48,920)		
H.Q. OVERHEAD	823,291	-	-	-	\$ (823,291)	
RESERVOIR (40)	1,557,358	71,937	45,288	22,836	710,253	\$ 4,257,484
TREAT./TRANS. (50)	1,411,922	37,323	40,712	26,084	113,038	3,741,999
	<u>\$ 7,999,483</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,999,483</u>

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

**NOTES TO FINANCIAL SCHEDULES  
YEAR ENDING JUNE 30, 2027**

---

**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, 2027**

---

**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 cost 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, 2027**

---

**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 a Fiscal Year 2027 labor projection as prepared by the Authority.
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 a Fiscal Year 2027 labor projection prepared by the Authority.
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, 2025

**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 to Financial Schedules ("Notes 1 and 2"), of the New Jersey Water Supply Authority (a component unit of the State of New Jersey and responsible party) (the "Authority"), for the year ended June 30, 2025, 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 on 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.

We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our examination agreement.

In our opinion, the financial schedules 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*

Hamilton, New Jersey

November 19, 2025

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

**SCHEDULE OF COST CENTER EXPENSE RECLASSIFICATION  
YEAR ENDED JUNE 30, 2025**

DEPT. #	DEPT./COST CENTER	COST CENTER COSTS	RECLASSIFICATIONS									REVISED COST CENTER COSTS
			1	2	3	4	5	6	7	8	9	
			HEATING/ ELECTRIC	VEHICULAR FUEL	PROFESSIONAL FEES	INSURANCE	TELEPHONE	PERMITS	WORKERS' COMP.	IN LIEU TAXES	CHIEF ENGINEER SALARY & FRINGE	
	BUILDING HQ	\$ -	\$ 74,029	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 74,029
	TELEPHONE HQ	-	-	-	-	44,496	-	-	-	-	-	44,496
36	SAFETY	225,713	-	-	-	-	-	-	-	-	-	225,713
37	SECURITY	1,150,747	-	-	-	-	-	-	-	-	-	1,150,747
14	HUMAN RESOURCES	501,227	-	-	(7,814)	-	-	-	(47)	-	-	493,366
16	PURCHASING	500,502	-	(114,551)	-	-	(44,496)	(19,182)	-	-	-	322,273
17	INFORMATION SYSTEMS	236,457	-	-	-	-	-	-	-	-	-	236,457
15	CONTRACTS & RISK MGMT.	2,468,427	-	-	(27,964)	(1,993,606)	-	-	-	(18,689)	-	418,168
13	FINANCIAL MGMT	1,246,081	-	-	(2,148)	-	-	-	-	-	-	1,243,933
34	AUTO SHOP	306,159	-	114,551	-	-	-	19,182	-	-	-	439,892
35	AUTO SHOP-CANAL	226,130	-	-	-	-	-	-	-	-	-	226,130
10	EXEC OFFICE	303,822	7,310	-	-	-	-	-	-	-	-	311,132
20 30 31 32 33	WATERSHED, ENGINEERING & O&M (PARITAN SYSTEM)	8,864,335	(81,339)	-	37,926	1,993,606	-	-	47	18,689	(21,479)	10,811,785
		16,019,600	-	-	-	-	-	-	-	-	(21,479)	15,998,121
40-60	MANASQUAN SYSTEM	6,242,524	-	-	-	-	-	-	-	-	21,479	6,264,003
		\$ 22,262,124	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 22,262,124



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

**SCHEDULE OF COST ALLOCATION FACTORS  
YEAR ENDED JUNE 30, 2025**

		REQUIRED STATISTICS										
DEPT. #	ALLOCATION OF: ALLOCATION BASIS:	BUILDING HQ SQ. FT. #	TELEPHONES # OF TELEPHONES	SAFETY # OF EMPLOYEES	HUMAN RESOURCES # OF EMPLOYEES	PURCHASING # OF P.O.'S	INFORMATION SYSTEMS # OF COMPUTERS	RISK MGMT MGD CONTRACTS	FINANCE O&M FUNCTIONAL COST	AUTO SHOP # OF VEHICLES	AUTO SHOP CANAL # OF VEHICLES	EXEC. OFF TIME ESTIMATE
	BUILDING HQ											
	TELEPHONE HQ											
36	SAFETY	100	1									
37	SECURITY	563	3	9								
14	HUMAN RESOURCES	666	4	3								
16	PURCHASING	827	3	2	2							
17	INFORMATION SYSTEMS	149	1	1	1	169						
15	CONTRACTS & RISK MGMT.	487	2	2	2	80	2					
13	FINANCIAL MGMT	1,421	6	6	6	67	6	-				
34	AUTO SHOP	2,238	2	2	2	161	2	-	\$ 439,892			
35	AUTO SHOP-CANAL	-	2	1	1	144	2	-	226,130			
10	EXEC OFFICE	1,967	8	1	1	18	2	-	311,132			
20 30 31 32 33	WATERSHED, ENGINEERING & O&M (RARITAN SYSTEM)	6,472	58	63	63	1,754	40	182	10,811,785	59	59	89 %
40-60	MANASQUAN SYSTEM	-	-	26	26	1,479	20	19	6,264,003	-	-	11
		14,890	90	116	104	3,872	74	201	\$ 18,052,942	59	59	100 %

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

**SCHEDULE OF MANASQUAN SYSTEM ALLOCATED COSTS  
YEAR ENDED JUNE 30, 2025**

	ALLOCATION BASIS					ALLOCATED COSTS
	1 TIME STUDY	2 \$ VALUE OF VEHICLES	3 \$ VALUE OF EQUIPMENT	4 TIME STUDY	5 VALUE OF WATER CONTRACTS	
<b>COSTS</b>						
<u>GENERAL &amp; ADMINISTRATIVE</u>						
SALARIES & FRINGES	\$ 3,433,056	\$ (3,433,056)				
VEHICLE RELATED	67,936	\$ (67,936)				
MAINT. SUPPLIES & RELATED	65,052	-	\$ (65,052)			
OFFICE & MISC.	26,862	-	-	\$ (26,862)		
H.Q. OVERHEAD	939,984	-	-	-	\$ (939,984)	
RESERVOIR	1,279,695	44,729	34,256	13,610	810,902	\$ 3,922,552
TREAT./TRANS.	1,369,922	23,207	30,796	13,252	129,082	3,259,955
	<u>\$ 7,182,507</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,182,507</u>

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

**NOTES TO FINANCIAL SCHEDULES  
YEAR ENDED JUNE 30, 2025**

---

**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 ENDED JUNE 30, 2025**

---

**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 cost 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, 2025**

---

**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 2025.
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 2025.
5. Headquarters Overhead expenses are allocated based on the value of water contracts for each System.

# NEW JERSEY WATER SUPPLY AUTHORITY



**RARITAN BASIN SYSTEM**

**FISCAL YEAR 2027 BUDGET**

(July 1, 2026 - June 30, 2027)

NEW JERSEY WATER SUPPLY AUTHORITY  
RARITAN BASIN SYSTEM

**PROPOSED**

FISCAL YEAR 2027 BUDGET  
(July 1, 2026 – June 30, 2027)

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NEW JERSEY WATER SUPPLY AUTHORITY  
RARITAN BASIN SYSTEM

**PROPOSED FISCAL YEAR 2027 BUDGET SUMMARY**

(7/1/26-6/30/27)

	ADOPTED F/Y2026 BUDGET	PROPOSED F/Y2027 BUDGET
Proposed Operating Expense Budget	\$17,894,687	\$19,321,275
Proposed Capital Equipment Budget \	369,604	-
Allocation of Headquarters General & Administrative Expenses to the Manasquan Reservoir System	(891,000)	(831,000)
 Total Operating Expense Budget & Capital Equipment Budget	 17,373,291	 18,490,275
 Contributions to Debt Service and Reserve Funds		
Depreciation Reserve	-	-
Other Post Employment Benefits Reserve	-	-
Pumping Reserve	-	-
Formal Dam Inspection Reserve	10,000	10,000
Pumping Reserve	150,000	150,000
Capital Equipment Reserve	150,000	150,000
Debt Service Fund (NJEIFP Debt)	7,254,357	7,253,124
Capital Fund Component	2,196,273	2,195,900
Source Water Protection Component	1,331,075	1,330,848
Total Contributions to Debt Service and Reserve Funds	11,091,705	11,089,872
 Total Proposed Budget	 \$ 28,464,996	 \$ 29,580,147
 Revenues		
Operating and Maintenance Component	13,559,941	13,549,205
NJEIFP Debt Service	7,254,357	7,253,124
Capital Fund Component	2,196,273	2,195,900
Source Water Protection Program Component	1,331,075	1,330,848
Funds to be Appropriated from Rate Stabilization Fund	3,669,350	4,852,970
Employee Housing	47,200	47,200
Interest Earnings	406,800	350,900
 Total Revenue	 \$ 28,464,996	 \$ 29,580,147

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  
FY2008-FY2027**

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, 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%
July 1, 2022	194.00			85.00	33.00	24.00	336.00	0.00%
July 1, 2023	203.00			109.00	33.00	20.00	365.00	8.63%
July 1, 2024	203.00			109.00	33.00	20.00	365.00	8.63%
July 1, 2025	203.00			109.00	33.00	20.00	365.00	0.00%
July 1, 2026	203.00			109.00	33.00	20.00	365.00	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 2027  
(7/1/26-6/30/27)

	<b>Total Headquarters Charge</b>	<b>Manasquan Reservoir System</b>	<b>Manasquan WTP/TS</b>
Budgeted-Appendix I, amount to be charged to Manasquan System for FY27 (7/1/26-6/30/27)	\$823,291	\$710,253	\$113,038
FY25 Adjustment as per audited Expenditures:			
Budgeted as per rate schedule for FY25 (7/1/24-6/30/25). Amounts paid during F/Y25 to Raritan Basin System.	\$933,000	\$805,000	\$128,000
Actual allocation based upon audited expenditures FY25 (7/1/24-6/30/25) - Appendix II	<u>\$940,804</u>	<u>\$810,902</u>	<u>\$129,902</u>
Adjustments FY25	<u>\$7,804</u>	<u>\$5,902</u>	<u>\$1,902</u>
Net Allocation for FY27 Budget	<u><u>\$831,095</u></u>	<u><u>\$716,155</u></u>	<u><u>\$114,940</u></u>
Estimate	<u>\$831,000</u>	<u>\$716,000</u>	<u>\$114,000</u>

NEW JERSEY WATER SUPPLY AUTHORITY  
RARITAN BASIN SYSTEM

**UNANTICIPATED REVENUE**

FUNDS TO BE APPROPRIATED INTO THE RATE STABILIZATION FUND FOR FISCAL YEAR 2027

		<u>Amount</u>
FY25 Net Year-End Balance		\$2,900,000
Transfer from SWP fund		\$200,000
<u>Overdrafts</u>	<u>Billed</u>	<u>Amount</u>
E Brunswick	Jun-24	\$4,067
E Brunswick	Jul-24	\$6,591
Greenbriar	Jun-24	\$747
Greenbriar	Jul-24	\$654
Greenbriar	Aug-24	\$637
Mt Olive	Sep-24	\$4
New Brunswick	Aug-24	\$2,315
NJ American	Jun-24	\$217,270
NJ American	Jul-24	\$269,300
NJ American	Aug-24	\$112,623
NJ American	Sep-24	\$127,549
NJ American	Oct-24	\$5,966
NJ American	Feb-25	\$1,000,827
Princeton Ops	Jul-24	\$314
RVCC	Jun-24	\$141
RVCC	Oct-24	\$53
Roxiticus	Jun-24	\$229
Roxiticus	Jul-24	\$318
Roxiticus	Sep-24	\$430
Roxiticus	Feb-25	\$528
Somerset Cty Golf	Jun-24	\$484
Trump National GC	Jun-24	\$1,211
Trump National GC	Jul-24	\$717
Total		\$1,752,975
<u>Other Sources of Funds</u>		
Grand Total		<u>\$4,852,975</u>
		<u>\$4,852,970</u>

NEW JERSEY WATER SUPPLY AUTHORITY  
RARITAN BASIN SYSTEM

**PROPOSED OPERATING EXPENSE BUDGET FOR FISCAL YEAR 2027 AND EXPENDITURES  
THROUGH 12/31/25 FOR FISCAL YEAR 2026**

CODE	ACCOUNT	ADOPTED BUDGET FY26	PROPOSED BUDGET FY27	EXPENDITURES THRU 12/31/25
5110	Regular Salaries & Wages	7,680,500	8,041,800	3,560,059
5120	Overtime-Salaries & Wages	298,120	363,450	115,728
5150	Fringe Benefits	3,844,840	4,123,630	1,955,453
5160	Retiree Health Benefits	1,014,960	1,112,300	433,538
5168	Workers' Comp. (Self Insured)	10,000	10,000	-
	Total Salary, Overtime & Fringe Benefits	12,848,420	13,651,180	6,064,778
5,200	Residences	25,100	26,100	6,234
5210	Heating Fuel	112,000	79,500	24,706
5220	Utilities-Electrical Service	131,000	135,000	61,006
5230	Utilities-Gas Service & Water	5,900	23,700	2,405
5240	Utilities-Propane	500	900	84
5250	Electricity For Pumping	85,000	85,000	86,782
5260	Vehicular Fuel	171,000	147,550	44,615
5270	Oil & Grease	19,500	19,400	16,120
5280	Tires	28,000	28,000	4,237
5290	Maintenance Supplies	233,865	302,965	68,295
5300	Maint. Supplies- Vehicular Equipment	113,000	111,000	40,027
5310	Major Special Vehicle Service & Repair	85,000	84,000	51,735
5320	Agricultural Supplies	9,475	9,475	5,572
5330	Maintenance Of Equipment	107,285	74,385	20,322
5340	Service & Maintenance Contracts	437,980	515,620	145,644
5350	Equipment Rental	49,402	49,950	12,801
5360	Household-Safety & Protective Supplies	49,694	71,244	69,497
5370	Uniforms	10,260	11,280	3,582
5380	Special & Professional Services	901,663	882,500	460,491
5390	Protective Services	2,025,000	2,562,360	1,044,723
5400	Telephone	43,600	19,600	25,580
5410	Postage & Freight	16,120	19,670	8,921
5420	Data Processing	31,500	32,000	15,151
5430	Printing & Office Supplies	51,150	52,710	22,796
5440	Scientific & Photographic	22,600	18,600	21,929
5450	Dues & Subscriptions	42,732	40,796	23,778
5460	Advertising & Promotional	12,200	12,200	2,633
5470	Travel & Subsistence	6,480	6,240	1,053
5480	Staff Training & Tuition Aid	48,450	57,750	21,058
5490	Fees & Permits	152,111	171,900	7,945
5500	In-Lieu Taxes	18,700	18,700	18,689
	Sub Totals	5,046,267	5,670,095	2,338,411
<b>TOTALS</b>		<b>17,894,687</b>	<b>19,321,275</b>	<b>8,403,189</b>

NEW JERSEY WATER SUPPLY AUTHORITY  
RARITAN BASIN SYSTEM

**COMPARATIVE STATEMENT FISCAL YEAR 2027**

CODE	ACCOUNT	FY'23 ACTUAL	FY'24 ACTUAL	FY'25 ACTUAL	FY'26 ADOPTED	FY'27 PROPOSED
5110	Regular Salaries & Wages	\$6,286,573	\$6,499,177	\$6,545,706	\$7,680,500	\$8,041,800
5120	Overtime-Salaries & Wages	223,876	260,798	222,218	298,120	\$363,450
5130	New positions-Salaries & Wages	0	0	0	0	\$0
5162	Retiree Unused Sick & Vacation	0	0	0	0	\$0
5150	Fringe Benefits*	3,018,587	3,487,936	3,546,937	3,844,840	\$4,123,630
5167	Retiree Health Benefits	690,192	856,842	1,141,583	1,014,960	\$1,112,300
5168	Workers Comp. (Self Insured)	1,018	1,018	0	10,000	\$10,000
	Total Salary & Fringe	10,220,245	11,105,771	11,456,444	12,848,420	\$13,651,180
<b>Budget Salary &amp; Fringe</b>						
5200	Residences	\$27,183	\$22,277	\$19,486	\$25,100	\$26,100
5210	Heating Fuel	83,834	82,406	\$63,989	112,000	\$79,500
5220	Utilities -Electrical Service	143,640	130,244	\$129,066	131,000	\$135,000
5230	-Gas Service	5,794	4,968	\$5,411	5,900	\$23,700
5240	-Propane	263	503	\$597	500	\$900
5250	Electricity for Pumping Station	571,996	1,445,731	\$459,541	85,000	\$85,000
5260	Fuel - Vehicular	139,392	110,722	\$114,551	171,000	\$147,550
5270	Oil & Grease	12,053	16,638	\$15,959	19,500	\$19,400
5280	Tires	25,097	19,952	\$19,670	28,000	\$28,000
5290	Maintenance Supplies	220,452	216,548	\$219,445	233,865	\$302,965
5300	Maint. Supplies - Vehicular	86,285	99,997	\$101,565	113,000	\$111,000
5310	Major Vehicle Service & Repair	78,520	51,976	\$59,267	85,000	\$84,000
5320	Agricultural Supplies	4,114	4,487	\$4,326	9,475	\$9,475
5330	Maintenance Equipment	41,819	36,066	\$62,580	107,285	\$74,385
5340	Serv. & Maintenance Contracts	370,053	361,524	\$343,104	437,980	\$515,620
5350	Equipment Rental	23,192	18,245	\$19,347	49,402	\$49,950
5360	Household - Safety Supplies	41,988	45,351	\$51,546	49,694	\$71,244
5370	Uniforms	7,840	8,453	\$6,031	10,260	\$11,280
5380	Special & Professional Services	646,820	673,577	\$1,102,260	901,663	\$882,500
5390	Protective Services	1,466,128	1,767,940	\$1,991,031	2,025,000	\$2,562,360
5400	Telephone	58,025	43,722	\$44,496	43,600	\$19,600
5410	Postage & Freight Out	8,745	13,526	\$20,412	16,120	\$19,670
5420	Data Processing	27,403	29,347	\$30,086	31,500	\$32,000
5430	Printing & Office Supplies	28,284	34,413	\$35,898	51,150	\$52,710
5440	Scientific & Photographic	7,051	8,352	\$7,746	22,600	\$18,600
5450	Dues & Subscriptions	29,216	32,787	\$32,160	42,732	\$40,796
5460	Advertising & Promotional	5,561	10,549	\$5,668	12,200	\$12,200
5470	Travel & Subsistence	1,260	2,363	\$2,673	6,480	\$6,240
5480	Staff Training & Tuition Aid	22,624	20,384	\$25,768	48,450	\$57,750
5490	Fees & Permits	132,061	134,245	\$145,090	152,111	\$171,900
5500	In - Lieu Taxes	18,689	18,689	\$18,689	18,700	\$18,700
	Total Other Expenses	\$4,335,382	\$5,465,982	\$5,157,459	\$5,046,267	\$5,670,095
	Total Operating Expenses	\$14,555,627	\$16,571,753	\$16,613,903	\$17,894,687	\$19,321,275
	Annual Increase (Decrease)	8.17%	13.85%	0.25%	7.71%	16.30%
	Budget -other expenses	3,576,750	4,194,063	4,588,584	5,046,267	5,670,095
	ANNUAL BUDGET	\$14,730,184	\$15,968,713	\$17,286,974	\$17,894,687	\$19,321,275

NEW JERSEY WATER SUPPLY AUTHORITY  
RARITAN BASIN SYSTEM

**PROPOSED CAPITAL EQUIPMENT BUDGET**

FOR FISCAL YEAR 2027  
(7/1/26-6/30/27)

	Description	Replacement (R) Addition (A)	Year of Purchase	Dollar Value	Depreciaton Reserve	
ENG/FACILITIES	Total Station	R 2174	2011	\$ 10,000	\$ 6,990	
	Electric Lube Grease Pump- Screens SBPS	A		\$ 20,000		
GROUNDS	Tow Behind Wood Chipper	R 1979	2005	\$ 100,000	\$ 20,579	
	Pickup Salt Spreader	A		\$ 15,000		
	John Deere 72" Front Deck Mower	A		\$ 50,000		
CANAL	Pickup - Crew-Cab, Super Duty, winch, rack	R(NJWA 38 #2280)	2017	\$ 85,000	\$ 29,585	
	Pickup- extend cab, cap, gluide	R(NJWA 9 #2337)	2019	\$ 68,000	\$ 29,360	
	Alamo, 3-pt hitch, side mower	A		\$ 33,000		
AUTO SHOP	I/R Air Compressor	R(1858)	2002	\$ 12,000	\$ 6,315	
IT/HR/WATERSHED	Automatic refrigerated stormwater samplers with modem (2)	R	2011	\$ 30,000	\$ 16,507	
SECURITY	Security Vehicle	R 2520	2024	\$ 60,000	\$ 10,488	
				TOTAL COST	\$ 483,000	\$119,824
				LESS AMOUNT CHARGED TO DEPRECIATION RESERVE	(119,824)	
				NET TOTAL	\$363,176	
				LESS AMOUNT CHARGED TO CAPITAL EQUIPMENT RESERVE	(363,176)	
				TOTAL	\$0	

NEW JERSEY WATER SUPPLY AUTHORITY  
RARITAN BASIN SYSTEM

**LIST OF CATEGORY 5340 ITEMS RECOMMENDED SERVICE & MAINTENANCE CONTRACTS**

FISCAL YEAR 2027

	ADOPTED FY26	PROPOSED FY27
1. Postage/Fax/ Misc. Machines (Dept. 16)	\$ 1,800	\$ 1,800
2. Stewart Business (Dept. 17)	1,200	1,200
3. SHPERA-Safety Software (Dept. 17)	2,400	2,700
4. Comodo- Remote Access Certificates (Dept. 17)		
5. WMWARE (Dept. 17)	1,000	1,000
6. Sage Clients First MAS 100 (Dept. 17)	6,700	8,200
7. Property Fax - Parcel Maps (Dept. 17)	1,400	1,400
8. Sage Fixed Asset (Dept. 17)	4,000	4,800
9. Digicert Certificate (Dept. 17)	950	950
10. People Trak (Dept. 17)	1,800	2,800
11. COMCAST - Cable Internet (Dept. 17)	24,000	24,000
12. Dendroyka - Landscape Software (Dept. 17)	2,000	2,400
13. Weebly (Web Hosting at Clinton) (Dept. 17)	500	500
14. Square Space (Web Hosting Watershed) (Dept. 17)	500	500
15. Symantec Anti-Virus Maintenance-Clinton (Dept. 17)	1,500	1,500
16. Sonic Wall Software (Dept. 17)	1,500	1,500
17. ESRI ArcView Maintenance-Watershed (Dept. 17)	6,000	7,000
18. KNOWBE4 Internet Security (Dept. 17)	1,800	1,800
19. Proofpoint Antispam (Dept. 17)	2,000	2,000
20. Fleet Maintenance (Dept. 17)	-	1,000
21. DLT Solutions Autocad (Dept. 17)	3,500	3,000
22. ESRI ArcView Maintenance-Clinton (Dept. 17)	700	700
23. Keystone Precision-GPS Software Maint. (Dept. 17)	600	600
24. DATTO SAAS Protection (Dept. 17)	6,000	6,000
25. Clients First-Vipre Antivirus/Antispam (Dept. 17)	600	600
26. Clients First - Server Software (Dept. 17)	1,000	1,000
27. Docusign (Dept. 17)	400	500
28. Microsoft 365 (Dept. 17)	17,000	17,200
29. Backup Service (Dept. 17)	10,000	15,000
30. MFA Service (Dept. 17)	3,900	3,900
31. Drivestrike Laptop Protection (Dept. 17)	900	1,000
32. WebTitan Laptop Software (Dept. 17)	900	800
33. Shiny Web Application (Dept. 17)	-	150
34. ManageEngine (Dept. 17)	600	600
35. Zoho Assist (Dept. 17)	150	150
36. Purehost - NJWSA Domain (Dept. 17)	100	100
37. Zentra = SR Monitoring (Dept. 17)	300	300
38. Clients First Bitdefender (Dept. 17)	500	500
40. Trimble Catalyst for GPS (Dept. 20)	500	-
41. Microscope Service		1,000
42. CAAS Cube Maintenance Contract (Dept. 20)	7,500	7,500
43. Hazardous Waste Disposal (Dept. 20)	7,500	7,500
44. Trimble Catalyst for GPS (Dept. 30)	500	500
45. Sensimetries (Dept. 30)		40,000
46. Refuse Collection (Dept. 31)	7,500	6,500
47. Janitorial Service (Dept. 31)	33,600	47,500

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NEW JERSEY WATER SUPPLY AUTHORITY  
RARITAN BASIN SYSTEM

**LIST OF CATEGORY 5340 ITEMS RECOMMENDED SERVICE & MAINTENANCE CONTRACTS**

FISCAL YEAR 2027

	ADOPTED FY26	PROPOSED FY27
48. HVAC Service (Dept. 31)	\$ 5,500	\$ 1,000
49. Electrician & Plumber Services (Dept. 31)	5,000	
50. Instrumentation Services (Dept. 31)	4,500	
51. Entry Rugs (Dept. 31)	5,000	7,500
52. Carpet Cleaning (Dept. 31)	10,000	10,000
53. Generator Service-Administration Building (Dept. 31)	1,200	1,200
54. Underground Plant Location Service Notifications (Dept. 31)	1,500	1,500
55. Crane Service and Inspection (Dept. 31)	4,000	
56. Elevator Service-SBPS (Dept. 31)	2,800	
57. Pest Control (Dept. 31)	-	1,000
58. UST Testing and Inspections (Dept. 31)	29,500	13,200
59. Bottled Water (Dept 31)		4,000
60. Miscellaneous (Dept. 31)	31,900	10,000
61. Janitorial Service (Dept. 32)	18,000	8,400
62. Dumpster Service Canal Office (Dept. 32)	36,000	48,000
63. Dumpster Service Route 1 (Dept. 32)	47,000	72,000
64. CFO Building	4,000	
65. Instrumentation Service (Dept. 32)	3,000	
66. One Call Concepts (Dept. 32)	2,400	2,400
67. ATS Environmental (Dept. 32)	3,600	4,200
68. HVAC (Dept. 32)	4,000	4,000
69. Wood Disposal Fees (Dept. 32)	4,800	3,600
70. Generator Service-Scudders & Perdicaris (Dept. 32)	3,000	1,000
71. Viking Pest (Dept. 32)	1,200	1,200
72. Portable Restroom	2,400	2,400
73. Pest Control (Dept. 32)	600	540
74. Welco Gas (Dept. 33)	1,000	1,000
75. Tree Stump Recycling (Dept. 33)	2,500	5,000
76. Miscellaneous Recycling (Dept. 33)	1,500	1,500
77. Parts Washer & Hazardous Removal (Dept. 34)	1,000	1,000
78. Lift Related (Dept. 34)	1,200	2,150
79. Recycle Used Vehicle Fluids (Dept. 35)	400	400
80. Fire Extinguisher Maintenance (Dept. 36)	12,800	12,800
81. Hazardous Waste Control (Dept. 36)	1,500	1,500
82. Fire Alarm Testing (Dept. 36)	10,380	10,380
83. Vehicle Lifts Annual Testing (Dept. 36)	1,500	1,500
84. Delaware Electric Cellular Service (Dept. 37)	1,200	2,000
85. Emergency Notification System (Dept. 37)	3,600	3,200
86. GPS Tracking (Dept. 37)	1,600	2,400
87. Covert Wireless (Dept. 37)	1,600	2,400
88. Refuse Collection (Dept. 38)		3,000
89. HVAC Services (Dept. 38)		5,000
90. Electrical Plumbing Services (Dept. 38)		5,000
91. Instrumentation Services (Dept. 38)		4,500
92. Pest Control (Dept. 38)		600
93. Entry Rugs (Dept. 38)		500
94. Crane Service and Inspection (Dept. 38)		5,000
95. Elevator Service- (Dept. 38)		3,000
96. UST Testing and Inspections		10,000
97. Misc (Dept. 38)		5,000
	<u>\$ 437,980</u>	<u>\$ 515,620</u>

NEW JERSEY WATER SUPPLY AUTHORITY  
RARITAN BASIN SYSTEM

**LIST OF CATEGORY 5380 ITEMS RECOMMENDED PROFESSIONAL SERVICES**

FISCAL YEAR 2027

	ADOPTED FY26	PROPOSED FY27
1. Services-Governor's Authorities Unit (Dept. 10)	\$ 25,000	\$ 25,000
2. Consultant-C.P.A. to Conduct Annual Audit (Dept. 13)	64,500	66,500
3. 125 Plan-Family security Insurance Agency (Dept. 13)	2,725	2,725
4. Archiving (Dept. 13)	6,000	6,000
5. NJEIT Fee (Dept. 13)	152,475	152,475
6. Services-Pre-Employment Exams & Tests (Dept. 14)	2,250	2,250
7. Fidelifax-Background Checks (Dept. 14)	1,800	1,800
8. Medical CDL Drug Testing (Dept. 14)	1,800	1,800
9. Employee Advisory Service (Dept. 14)	2,150	2,150
10. Substance Abuse Professional (Dept. 14)		1,200
11. ACA 1095 filing/printing and mailing (Dept 14)	2,500	2,700
12. 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	35,000
13. Insurance Broker-HRH (Dept. 15)	45,000	45,000
14. GL Administrator (ESIS) (Dept. 15)	30,584	30,241
15. Services-Attorney General's Office - Assistance of Deputy Attorney General concerning a wide range of legal matters (Dept. 15)	55,000	44,759
16. MP Water Monitoring Costs - USGS SR @ Glen Gardner (Dept. 20)	18,693	17,600
17. MP Water Monitoring Costs - USGS SB Raritan @ Stanton (Dept. 20)	18,186	17,200
18. MP Water Monitoring Costs - USGS Landing Lane (Dept. 20)	56,487	53,600
19. MP Water Monitoring Costs - USGS Raritan River @ Manville (Dept. 20)	70,213	66,000
20. Continuous Record Gaging - USGS @ Washington Crossing (Dept. 20)	24,095	-
21. Water Quality Monitoring - USGS @ Washington Crossing (Dept. 20)	5,507	5,600
22. Water Monitoring Costs ASWQMN- USGS D&R Canal @ Landing Lane (Dept. 20)	22,568	23,000

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NEW JERSEY WATER SUPPLY AUTHORITY  
RARITAN BASIN SYSTEM

**LIST OF CATEGORY 5380 ITEMS RECOMMENDED PROFESSIONAL SERVICES**

FISCAL YEAR 2027

	<u>ADOPTED FY26</u>	<u>PROPOSED FY27</u>
23. 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. 20)	75,000	80,800
24. Millstone River at Blackwells Mills continuous WQ (Dept 20)		40,000
25. USGS Spruce Run Gage at Glen Gardner (Dept. 20)	13,000	12,500
26. USGS Clinton Rain Gage (Dept. 20)	3,500	3,000
27. USGS Washington Crossing Rain Gage (Dept. 20)	3,500	4,300
28. USGS Millstone River at Millstone Discharge (Dept. 20)	\$ 9,630	9,100
29. Support for Community Monitoring Programs (Dept.20)	5,000	5,000
30. General Lab Analysis (Dept. 20)	18,000	18,000
31. Maintenance of USGS Gauges at Washington Crossing and 10-mile and others (Dept. 20)	31,500	31,200
32. Services-Emergency Engineering Services (Dept 30)	15,000	22,000
33. Water Testing and Sampling to comply with the Safe Water Drinking Act (Dept. 31)	20,000	5,000
34. Water Sampling and Testing as per NJDWR Requirements - RT 202 Stockpile Site (Dept 32)	27,000	20,000
35. Vac Truck Service - IFW, 10 Mile PS (Dept. 32)	8,000	8,000
36. Safety Suggestion Program, Poster and Promotional Materials, Safety Incentive Program (Dept. 36)	10,700	10,700
37. Pulmonary Testing and Physicals (Dept. 36)	5,000	5,000
38. Annual Contributions to Fire Companies and Rescue Squads (Dept. 36)	500	500
39. Hepatitis Vaccinations (Dept. 36)	800	800
40. Calibration for the Pota-Count Respirator (Dept. 36)	3,000	3,000
41. Water Testing (Dept. 38)		1,000
<b>TOTAL</b>	<u>\$ 901,663</u>	<u>\$ 882,500</u>

NEW JERSEY WATER SUPPLY AUTHORITY  
RARITAN BASIN SYSTEM

**PROJECTED FY 2027 NEW JERSEY WATER SUPPLY AUTHORITY INSURANCE PROGRAM**

Policy	Raritan Basin System	Manasquan Reservoir System	Manasquan Water Treatment Plant and Transmission System	Total Premium
PROPERTY/MOBILE EQUIPMENT	1,373,640	\$468,120	\$140,880	\$1,982,640
GENERAL/AUTO LIABILITY	283,440	\$50,880	\$15,240	\$349,560
POLLUTION LIABILITY	80,160	\$7,200	\$1,440	\$88,800
WORKERS COMPENSATION	152,880	\$21,360	\$22,800	\$197,040
EXCESS LIABILITY	598,200	\$53,280	\$10,560	\$662,040
MANAGEMENT LIABILITY				
PUBLIC OFFICIALS	55,680	\$4,920	\$960	\$61,560
CYBER RISK	14,640	\$1,320	\$240	\$16,200
FIDELITY & CRIME				
TRAVEL ACCIDENT	2,400	\$240	\$42	\$2,682
DRONE	1,320			\$1,320
<b>TOTAL:</b>	<b>\$2,562,360</b>	<b>\$607,320</b>	<b>\$192,162</b>	<b>\$3,361,842</b>

NEW JERSEY WATER SUPPLY AUTHORITY  
RARITAN BASIN SYSTEM

**DEFINITIONS AND EXPLANATION OF THE FISCAL YEAR 2026 OPERATING EXPENSE ACCOUNTS**

ACCOUNT  
CODE            TITLE

5110                SALARIES AND WAGES

5120-  
5140                OVERTIME

5150-  
5168                FRINGE BENEFITS

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

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

The following is a comparison of the subject expenditures for FISCAL YEAR 2027.

	Adopted F/Y26	Proposed F/Y27
Budgeted Positions	97	98
Expenditures:		
Regular Salaries	\$7,680,500	\$8,041,800
Overtime	298,120	363,450
Fringe Benefits	3,844,840	4,123,630
Retiree Health Benefits	1,014,960	1,112,300
Worker's Compensation (self-insured)	10,000	10,000
<b>Total Salaries and Fringe Benefits</b>	<b>\$12,848,420</b>	<b>\$13,651,180</b>

**DEFINITIONS AND EXPLANATION OF THE FISCAL YEAR 2026 OPERATING EXPENSE ACCOUNTS**

<b><u>ACCOUNT CODE</u></b>	<b><u>TITLE</u></b>
5200	<u>ON-SITE RESIDENCES</u>  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	<u>HEATING FUEL</u>  This account covers the cost of heating the Administration Building, South Branch Pumping Station, Langenfelder Maintenance Barn, and Facilities Maintenance Building.
5220	<u>UTILITIES - ELECTRICAL SERVICE (other than pumping)</u>  This account covers regular electrical use at the Administration Building, South Branch Pumping Station, Langenfelder Maintenance Barn, Reservoir Towers (3) and Vaults (3), Whitehouse Station Release Works, the Raritan Basin System Canal Office, gates and telemarks and street lighting for security and safety purposes.
5230	<u>UTILITIES - GAS SERVICE &amp; WATER</u>  This account covers the cost of natural gas at the Raritan Basin System Canal Office. Also covered in this account is the potable water charge at the Langenfelder Maintenance Barn, and South Branch Pumping Station.
5240	<u>PROPANE</u>  This account covers the cost of propane fuel at the South Branch Pumping Station.
5250	<u>ELECTRICITY FOR PUMPING</u>  This account covers the cost of electricity to operate pumps at the South Branch Pumping Station. Any unanticipated pumping other than normal pumping at the Ten Mile Lock Pumping Station will be charged to the Pumping Reserve.
5260	<u>VEHICULAR FUEL</u>  This account covers the cost of unleaded regular and diesel fuel used by the Authority's motor vehicles.
5270	<u>OIL &amp; GREASE</u>  This account covers the amount of oil and grease used by the Authority's motor vehicles. Also included in this account 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 2026 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 2026 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 2026 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 \$5,000 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 employees' attendance at various technically related and approved courses, training programs, etc.

**DEFINITIONS AND EXPLANATION OF THE FISCAL YEAR 2026 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 \$5,000 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 ensure the useful life of the equipment, and further ensure 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.

# 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, 2027

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

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## **INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES**

To the Commissioners of  
New Jersey Water Supply Authority

We have performed the procedures enumerated below on the financial schedules for the fiscal year ending June 30, 2027. The Authority's management is responsible for preparing and presenting the financial schedules in accordance with the guidelines for the presentation of schedules established by the American Institute of Certified Public Accountants ("AICPA").

The Authority has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to assist the Authority with evaluating the underlying supporting documentation to determine the accuracy of the financial schedules in connection with setting water rates for each of the three operating systems. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated results are as follows:

1. We were provided with the fiscal year 2027 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 2027 budgeted expenses are based upon preliminary budgets that are subject to approval by the Authority's Commissioners. We obtained these documents without any exceptions.
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, 2025, and found them to be consistent.

We were engaged by the Authority to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the AICPA. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, about whether the forecasted cost allocation schedules are presenting the schedules in accordance with the guidelines for the presentation of schedules established by the AICPA. 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 ACCOUNTANTS' 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.

We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

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.

*Mercadion, P.C.*  
*Certified Public Accountants*

Hamilton, New Jersey

November 19, 2025

**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, 2027**

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' COMP.	8 IN LIEU TAXES	9 CHIEF ENGINEER SALARY & FRINGE	
	BUILDING HQ	\$ -	\$ 81,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 81,000
	TELEPHONE HQ	-	-	-	-	16,000	-	-	-	-	-	16,000
36	SAFETY	230,859	-	(5,000)	-	-	-	-	-	-	-	225,859
37	SECURITY	1,341,840	-	-	-	-	-	-	-	-	-	1,341,840
14	HUMAN RESOURCES	576,390	-	(3,950)	-	-	(10,000)	-	-	-	-	562,440
16	PURCHASING	578,220	-	(147,550)	-	(16,000)	(20,000)	-	-	-	-	394,670
17	INFORMATION SYSTEMS	277,930	-	-	-	-	-	-	-	-	-	277,930
15	CONTRACTS & RISK MGMT.	3,051,052	-	(35,000)	(2,562,360)	-	-	-	(18,700)	-	-	434,992
13	FINANCIAL MGMT.	1,434,510	-	(2,725)	-	-	-	-	-	-	-	1,431,785
34	AUTO SHOP	385,480	-	147,550	-	-	-	-	-	20,000	-	553,030
35	AUTO SHOP-CANAL	288,990	-	-	-	-	-	-	-	-	-	288,990
10	EXEC OFFICE	384,344	7,173	-	-	-	-	-	-	-	-	341,517
20 30 31 32 33	WATERSHED, ENGINEERING & O&M (RARTAN SYSTEM)	10,821,660	(88,173)	46,675	2,562,360	-	-	-	18,700	(23,810)	(23,810)	13,347,412
		19,321,275	-	-	-	-	-	-	-	(23,810)	(23,810)	19,297,465
40-60	MANASQUAN SYSTEM	3,213,460	-	-	-	-	-	-	-	23,810	23,810	3,237,270
		\$ 22,534,735	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 22,534,735

**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, 2027**

DEPT. #	DEPT./COST CENTER	REVISED 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	ALLOCATED COST CENTER COSTS
	BUILDING HQ	\$ 81,000	\$(81,000)												
	TELEPHONE HQ	16,000	-	\$(16,000)											
36	SAFETY	225,859	544	178	\$(226,581)										
37	SECURITY	1,341,840	3,063	533	17,580	\$(1,363,016)									
14	HUMAN RESOURCES	562,440	3,623	711	5,860	-	\$(672,634)								
16	PURCHASING	394,670	4,499	533	3,907	-	11,012	\$(414,621)							
17	INFORMATION SYSTEMS	277,930	811	178	1,953	-	5,506	18,097	\$(304,475)						
15	CONTRACTS & RISK MGMT.	434,992	2,649	356	3,907	-	11,012	8,567	8,229	\$(469,712)					
13	FINANCIAL MGMT.	1,431,785	7,730	1,067	11,720	-	33,037	7,174	24,687	-	\$(1,517,200)				
34	AUTO SHOP	553,030	12,174	356	3,907	-	11,012	17,240	8,229	-	47,222	\$(653,170)			
35	AUTO SHOP-CANAL	288,990	-	356	1,953	-	5,506	15,420	8,229	-	24,676	-	\$(345,130)		
10	EXEC OFFICE	341,517	10,698	1,422	1,953	-	5,506	1,927	8,229	-	29,162	-	-	\$(400,414)	
20 30 31 32 33	WATERSHED, ENGINEERING & O&M (RARITAN SYSTEM)	13,347,412	35,209	10,310	123,056	1,363,016	346,884	187,822	164,581	425,311	1,139,715	653,170	345,130	356,368	\$ 18,497,984
40-60	MANASQUAN SYSTEM	3,237,270	-	-	50,785	-	143,159	158,374	82,291	44,401	276,425	-	-	44,046	4,036,751
		\$ 22,534,735	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 22,534,735

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

**SCHEDULE OF FORECASTED COST ALLOCATION FACTORS  
YEAR ENDING JUNE 30, 2027**

DEPT. #	ALLOCATION OF: ALLOCATION BASIS: DEPT./COST CENTER	REQUIRED STATISTICS											EXEC. OFF TIME ESTIMATE				
		BUILDING HQ SQ. FT. #	TELEPHONES # OF TELEPHONES	SAFETY # OF EMPLOYEES	HUMAN RESOURCES # OF EMPLOYEES	PURCHASING # OF P.O.'S	INFORMATION SYSTEMS # OF COMPUTERS	CONTRACTS & RISK MGMT MGD CONTRACTS	FINANCE O&M FUNCTIONAL COST	AUTO SHOP # OF VEHICLES	AUTO SHOP # OF VEHICLES	AUTO SHOP CANAL # OF VEHICLES					
	BUILDING HQ																
	TELEPHONE HQ																
36	SAFETY	100	1														
37	SECURITY	563	3	9													
14	HUMAN RESOURCES	666	4	3													
16	PURCHASING	827	3	2	2												
17	INFORMATION SYSTEMS	149	1	1	1	169											
15	CONTRACTS & RISK MGMT.	487	2	2	2	80	2										
13	FINANCIAL MGMT.	1,421	6	6	6	67	6										
34	AUTO SHOP	2,238	2	2	2	161	2						\$ 553,030				
35	AUTO SHOP-CANAL	-	2	1	1	144	2						288,990				
10	EXEC OFFICE	1,967	8	1	1	18	2						341,517				
20 30 31 32 33	WATERSHED, ENGINEERING & O&M (RARITAN SYSTEM)	6,473	58	63	63	1,754	40	182	13,347,412	59	59	89.00 %					
40-60	MANASQUAN SYSTEM	-	-	26	26	1,479	20	19	3,237,270	-	-	11.00					
		14,890	90	116	104	3,872	74	201	\$ 17,768,219	59	59	100 %					

**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, 2027**

	ALLOCATION BASIS					ALLOCATED COSTS
	1 LABOR PROJECTION	2 \$ VALUE OF VEHICLES	3 \$ VALUE OF EQUIPMENT	4 LABOR PROJECTION	5 VALUE OF WATER CONTRACTS	
COSTS						
<u>GENERAL &amp; ADMINISTRATIVE</u>						
SALARIES & FRINGES	\$ 3,962,732	\$ (3,962,732)				
VEHICLE RELATED	109,260	\$ (109,260)				
MAINT. SUPPLIES & RELATED	86,000	-	\$ (86,000)			
OFFICE & MISC.	48,920	-	-	\$ (48,920)		
H.Q. OVERHEAD	823,291	-	-	-	\$ (823,291)	
RESERVOIR (40)	1,557,358	71,937	45,288	22,836	710,253	\$ 4,257,484
TREAT./TRANS. (50)	1,411,922	37,323	40,712	26,084	113,038	3,741,999
	<u>\$ 7,999,483</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,999,483</u>

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

**NOTES TO FINANCIAL SCHEDULES  
YEAR ENDING JUNE 30, 2027**

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**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, 2027**

---

**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 cost 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, 2027**

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**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 a Fiscal Year 2027 labor projection as prepared by the Authority.
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 a Fiscal Year 2027 labor projection prepared by the Authority.
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, 2025

**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 to Financial Schedules ("Notes 1 and 2"), of the New Jersey Water Supply Authority (a component unit of the State of New Jersey and responsible party) (the "Authority"), for the year ended June 30, 2025, 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 on 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.

We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our examination agreement.

In our opinion, the financial schedules 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*

Hamilton, New Jersey

November 19, 2025

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

**SCHEDULE OF COST CENTER EXPENSE RECLASSIFICATION  
YEAR ENDED JUNE 30, 2025**

DEPT. #	DEPT./COST CENTER	COST CENTER COSTS	RECLASSIFICATIONS									REVISED COST CENTER COSTS
			1	2	3	4	5	6	7	8	9	
			HEATING/ ELECTRIC	VEHICULAR FUEL	PROFESSIONAL FEES	INSURANCE	TELEPHONE	PERMITS	WORKERS' COMP.	IN LIEU TAXES	CHIEF ENGINEER SALARY & FRINGE	
	BUILDING HQ	\$ -	\$ 74,029	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 74,029
	TELEPHONE HQ	-	-	-	-	44,496	-	-	-	-	-	44,496
36	SAFETY	225,713	-	-	-	-	-	-	-	-	-	225,713
37	SECURITY	1,150,747	-	-	-	-	-	-	-	-	-	1,150,747
14	HUMAN RESOURCES	501,227	-	-	(7,814)	-	-	-	(47)	-	-	493,366
16	PURCHASING	500,502	-	(114,551)	-	-	(44,496)	(19,182)	-	-	-	322,273
17	INFORMATION SYSTEMS	236,457	-	-	-	-	-	-	-	-	-	236,457
15	CONTRACTS & RISK MGMT.	2,468,427	-	-	(27,964)	(1,993,606)	-	-	-	(18,689)	-	418,168
13	FINANCIAL MGMT	1,246,081	-	-	(2,148)	-	-	-	-	-	-	1,243,933
34	AUTO SHOP	306,159	-	114,551	-	-	-	19,182	-	-	-	439,892
35	AUTO SHOP-CANAL	226,130	-	-	-	-	-	-	-	-	-	226,130
10	EXEC OFFICE	303,822	7,310	-	-	-	-	-	-	-	-	311,132
20 30 31 32 33	WATERSHED, ENGINEERING & O&M (PARITAN SYSTEM)	8,864,335	(81,339)	-	37,926	1,993,606	-	-	47	18,689	(21,479)	10,811,785
		16,019,600	-	-	-	-	-	-	-	-	(21,479)	15,998,121
40-60	MANASQUAN SYSTEM	6,242,524	-	-	-	-	-	-	-	-	21,479	6,264,003
		\$ 22,262,124	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 22,262,124



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

**SCHEDULE OF COST ALLOCATION FACTORS  
YEAR ENDED JUNE 30, 2025**

		REQUIRED STATISTICS										
DEPT. #	ALLOCATION OF: ALLOCATION BASIS:	BUILDING HQ SQ. FT. #	TELEPHONES # OF TELEPHONES	SAFETY # OF EMPLOYEES	HUMAN RESOURCES # OF EMPLOYEES	PURCHASING # OF P.O.'S	INFORMATION SYSTEMS # OF COMPUTERS	RISK MGMT MGD CONTRACTS	FINANCE O&M FUNCTIONAL COST	AUTO SHOP # OF VEHICLES	AUTO SHOP CANAL # OF VEHICLES	EXEC. OFF TIME ESTIMATE
DEPT. #	DEPT./COST CENTER											
	BUILDING HQ											
	TELEPHONE HQ											
36	SAFETY	100	1									
37	SECURITY	563	3	9								
14	HUMAN RESOURCES	666	4	3								
16	PURCHASING	827	3	2	2							
17	INFORMATION SYSTEMS	149	1	1	1	169						
15	CONTRACTS & RISK MGMT.	487	2	2	2	80	2					
13	FINANCIAL MGMT	1,421	6	6	6	67	6	-				
34	AUTO SHOP	2,238	2	2	2	161	2	-	\$ 439,892			
35	AUTO SHOP-CANAL	-	2	1	1	144	2	-	226,130			
10	EXEC OFFICE	1,967	8	1	1	18	2	-	311,132			
20 30 31 32 33	WATERSHED, ENGINEERING & O&M (RARITAN SYSTEM)	6,472	58	63	63	1,754	40	182	10,811,785	59	59	89 %
40-60	MANASQUAN SYSTEM	-	-	26	26	1,479	20	19	6,264,003	-	-	11
		14,890	90	116	104	3,872	74	201	\$ 18,052,942	59	59	100 %

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

**SCHEDULE OF MANASQUAN SYSTEM ALLOCATED COSTS  
YEAR ENDED JUNE 30, 2025**

	ALLOCATION BASIS					ALLOCATED COSTS
	1 TIME STUDY	2 \$ VALUE OF VEHICLES	3 \$ VALUE OF EQUIPMENT	4 TIME STUDY	5 VALUE OF WATER CONTRACTS	
<b>COSTS</b>						
<u>GENERAL &amp; ADMINISTRATIVE</u>						
SALARIES & FRINGES	\$ 3,433,056	\$ (3,433,056)				
VEHICLE RELATED	67,936	\$ (67,936)				
MAINT. SUPPLIES & RELATED	65,052	-	\$ (65,052)			
OFFICE & MISC.	26,862	-	-	\$ (26,862)		
H.Q. OVERHEAD	939,984	-	-	-	\$ (939,984)	
RESERVOIR	1,279,695	44,729	34,256	13,610	810,902	\$ 3,922,552
TREAT./TRANS.	1,369,922	23,207	30,796	13,252	129,082	3,259,955
	<u>\$ 7,182,507</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,182,507</u>

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

**NOTES TO FINANCIAL SCHEDULES  
YEAR ENDED JUNE 30, 2025**

---

**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 ENDED JUNE 30, 2025**

---

**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 cost 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, 2025**

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**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 2025.
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 2025.
5. Headquarters Overhead expenses are allocated based on the value of water contracts for each System.

# NEW JERSEY WATER SUPPLY AUTHORITY



## MANASQUAN WATER TREATMENT PLANT AND TRANSMISSION SYSTEM

### FISCAL YEAR 2027 BUDGET

(July 1, 2026 - June 30, 2027)

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

**PROPOSED**

FISCAL YEAR 2027 BUDGET  
(July 1, 2026 – June 30, 2027)

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

**PROPOSED FISCAL YEAR 2027 BUDGET SUMMARY**

(7/01/26-6/30/27)

	<u>ADOPTED F/Y26 WTP/TS BUDGET</u>	<u>PROPOSED F/Y27 WTP/TS BUDGET</u>
O&M Budget	\$3,259,486	\$3,628,316
Proposed Capital Equipment Budget	97,004	46,050
Allocation of Headquarters General & Administrative Expense charged to the Manasquan WTP/TS	<u>121,000</u>	<u>114,000</u>
Total Proposed Budget	<u>\$3,477,490</u>	<u>\$3,788,366</u>

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

**TOTAL PROPOSED OPERATIONS & MAINTENANCE BUDGET**

FISCAL YEAR 2027  
(7/01/26-6/30/27)

	FY26 Adopted WATER TREATMENT PLANT & <u>TRANSMISSION SYSTEM</u>	FY27 Proposed WATER TREATMENT PLANT & <u>TRANSMISSION SYSTEM</u>
Salaries/Fringe	\$1,967,346	\$2,112,920
O & M Direct Expense	1,197,300	1,411,922
G & A Expenses	<u>94,840</u>	<u>103,474</u>
Total Operations & Maintenance Budget	<u>\$3,259,486</u>	<u>\$3,628,316</u>

NEW JERSEY WATER SUPPLY AUTHORITY  
 MANASQUAN WATER TREATMENT PLANT AND TRANSMISSION SYSTEM  
**PROPOSED OPERATIONS & MAINTENANCE DIRECT EXPENSE BUDGET (50)**

FISCAL YEAR 2027  
 (7/01/26-6/30/27)

CODE	ACCOUNT	FY '26 ADOPTED	FY '27 PROPOSED
	Total Salary, Wages & Fringe		
5200	Residences		0
5210	Heating Fuel	5,000	5,000
5220	Utilities -Electrical Service	390,000	412,800
5230	-Gas Service	29,600	29,600
5240	-Propane	0	0
5250	Electricity for Pumping Station	0	0
5260	Fuel - Vehicular	0	0
5270	Oil & Grease	2,000	2,000
5280	Tires	0	0
5290	Maintenance Supplies	7,700	7,700
5300	Maint. Supplies - Vehicular	0	0
5310	Major Vehicle Service & Repair	0	0
5320	Agricultural Supplies	0	0
5330	Maintenance Equipment	124,300	136,300
5340	Serv. & Maintenance Contracts	37,240	46,980
5350	Equipment Rental	3,200	3,200
5360	Household - Safety Supplies	2,000	2,000
5370	Uniforms	0	0
5380	Special & Professional Services	33,200	35,000
5390	Protective Services	175,000	196,242
5400	Telephone	1,200	1,200
5410	Postage & Freight Out	300	300
5420	Data Processing	0	0
5430	Printing & Office Supplies	9,800	9,800
5440	Scientific & Photographic	15,000	15,000
5450	Dues & Subscriptions	0	0
5460	Advertising & Promotional	1,000	1,000
5470	Travel & Subsistence	0	0
5480	Staff Training & Tuition Aid	1,320	3,360
5490	Fees & Permits	8,040	8,040
5500	In - Lieu Taxes	400	400
5510	Residual Removal	16,000	16,000
5520	Water Treatment Chemicals	240,000	240,000
5525	GAC Replacement	95,000	240,000
5528	Reimb of O&M Capital Expenditures		
	Total Operating Expenses	\$1,197,300	\$1,411,922

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

**PROPOSED GENERAL & ADMINISTRATIVE EXPENSE BUDGET (60)**

FISCAL YEAR 2027  
(7/01/26-6/30/27)

CODE	ACCOUNT	FY '26 ADOPTED	FY '27 PROPOSED
5110	Regular Salaries & Wages	2,147,250	2,189,450
5120	Overtime-Salaries & Wages	115,600	115,882
5130	New positions-Salaries & Wages		
5140	Seasonal Help-Salaries & Wages		
5150	Fringe Benefits	1,254,050	1,365,500
5160	Retiree Health Benefits	252,950	286,900
5168	Workers Comp. (Self-Insured)	5,000	5,000
	Total Salary, Wages & Fringe	\$3,774,850	\$3,962,732
	Budget - salary and fringe		
5200	Residences	0	0
5210	Heating Fuel	0	0
5220	Utilities -Electrical Service	0	0
5230	-Gas Service	0	0
5240	-Propane	0	0
5250	Electricity for Pumping Station	0	0
5260	Fuel - Vehicular	33,600	39,960
5270	Oil & Grease	8,300	8,300
5280	Tires	12,000	12,000
5290	Maintenance Supplies	27,300	27,300
5300	Maint. Supplies - Vehicular	14,000	14,000
5310	Major Vehicle Service & Repair	35,000	35,000
5320	Agricultural Supplies	8,100	8,100
5330	Maintenance Equipment	7,100	7,100
5340	Serv. & Maintenance Contracts	25,300	25,300
5350	Equipment Rental	3,300	4,500
5360	Household - Safety Supplies	13,700	13,700
5370	Uniforms	0	0
5380	Special & Professional Services	10,000	10,000
5390	Protective Services	0	0
5400	Telephone	4,560	4,560
5410	Postage & Freight Out	1,200	1,200
5420	Data Processing	3,600	3,600
5430	Printing & Office Supplies	5,960	8,360
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	8,400	8,400
5490	Fees & Permits	6,500	6,500
5500	In - Lieu Taxes	0	0
5510	Residual Removal	0	0
5520	Water Treatment Chemicals	0	0
5525	GAC Replacement	0	0
	Total Other Expenses	\$234,220	\$244,180
	Total Operating Expenses	\$4,009,070	\$4,206,912
	Reservoir System	\$139,380	\$140,706
	Treatment/Transmission System	\$94,840	\$103,474

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

**LABOR PROJECTION**

FISCAL YEAR 2027  
(7/01/26-6/30/27)

TITLES	SALARY	FRINGE	CLOTHING	SHIFT	TOTAL	ALLOCATION	AMOUNT	ALLOCATION	AMOUNT
		BENEFITS	OVERTIME	ALLOWANCE		DIFFERENTIAL		RESERVOIR	
						%		%	
Director	162,000	116,470	-	-	278,470	50%	139,235	50%	139,235
Project Engineer III	89,700	64,489	-	-	154,189	50%	77,095	50%	77,094
Water Supply Tech.	81,000	58,630	-	550	140,180	62%	86,912	38%	53,268
Administrative Assistant	84,800	60,966	-	-	145,766	47%	68,510	53%	77,256
Supervisor Technical Facilities Maint	106,800	79,723	3,540	550	190,613	43%	81,964	57%	108,649
Sr. Water Supply Tech.	93,000	67,643	537	550	161,730	35%	56,606	65%	105,124
Maintenance Worker I	57,900	42,022	-	550	100,472	93%	93,439	7%	7,033
Supervisor Operations	130,400	93,750	-	-	224,150	25%	56,038	75%	168,112
Equipment Operator	58,900	42,741	-	550	102,191	94%	96,060	6%	6,131
Foreman Bldg & Grounds Maint	93,000	67,643	537	550	161,730	85%	137,471	15%	24,259
Foreman Facilities Maintenance	89,400	68,369	5,146	550	163,465	47%	76,829	53%	86,636
Facilities Mechanic (3 Positions)	205,500	151,625	3,750	1,650	362,525	45%	163,137	55%	199,388
Supervisor Plant Operator	84,600	64,882	5,097	550	155,129	37%	57,398	63%	97,731
Equipment Operator	54,000	39,218	-	550	93,768	92%	86,267	8%	7,501
Reservoir Sys Oper./Asst RSO (5 Positions)	305,800	248,086	36,521	2,750	593,157	95%	563,500	5%	29,657
Plant Operator (6 Positions)	477,100	391,143	60,754	3,300	935,197	1%	9,352	99%	925,845
TOTAL: (rounded)	<u>2,173,900</u>	<u>1,657,400</u>	<u>115,880</u>	<u>12,650</u>	<u>3,962,730</u>		<u>1,849,813</u>		<u>2,112,920</u>

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 2027  
(7/01/26-6/30/27)

	<b>Total Headquarters Charge</b>	<b>Manasquan Reservoir System</b>	<b>Manasquan WTP/TS</b>
Budgeted-Appendix I, amount to be charged to Manasquan System for FY27 (7/1/26-6/30/27)	\$823,291	\$710,253	\$113,038
FY25 Adjustment as per audited Expenditures:			
Budgeted as per rate schedule for FY25 (7/1/24-6/30/25). Amounts paid during F/Y25 to Raritan Basin System.	\$933,000	\$805,000	\$128,000
Actual allocation based upon audited expenditures FY25 (7/1/24-6/30/25) - Appendix II	\$940,804	\$810,902	\$129,902
Adjustments FY25	\$7,804	\$5,902	\$1,902
Net Allocation for FY27 Budget	\$831,095	\$716,155	\$114,940
Estimate	\$831,000	\$716,000	\$114,000

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 2027

	Adopted F/Y26	Proposed F/Y27
1 Electrical Service Contract	\$ 2,400	\$ 2,400
2 Instrumentation & Control System Service & Upgrade	4,000	7,000
3 Electrical Upgrade & Repair	2,000	3,000
4 Overhead Crane Service	2,500	3,240
5 Fire & Intrusion Alarm Service	3,000	3,000
6 Boiler Service	1,440	1,440
7 Auxiliary Generator Service	3,000	3,000
8 Lab Equipment Service	3,500	3,500
9 UPS Battery PM Service and Batteries	3,600	3,600
10 Four Year Electrical Switchgear Testing Service	2,000	2,000
11 Internet Service	4,800	9,800
12 Network Routers	2,500	2,500
13 XLReporter Software Program Support	2,500	2,500
	<u>2,500</u>	<u>2,500</u>
Total Service & Maintenance Contracts	<u>\$ 37,240</u>	<u>\$ 46,980</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 2027

	Adopted F/Y26	Proposed F/Y27
	<u>          </u>	<u>          </u>
1 Refuse & Waste Disposal	\$ 2,000	\$ 2,000
2 Office Equipment/Computers	1,800	1,800
3 Waste Oil Disposal	300	300
4 Fire Extinguisher Service	1,100	1,100
5 SCADA Service Contract	-	2,000
6 Building Maintenance	2,000	6,000
7 Internet Service	6,000	2,000
8 Janitorial Service	2,000	7,200
9 Vehicle Lift Inspection	7,200	500
10 Underground Fuel Storage Tank Service	500	2,400
	<u>2,400</u>	
Total Service & Maintenance Contracts	<u>\$ 25,300</u>	<u>\$ 25,300</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 2027

	Adopted F/Y26	Proposed F/Y27
	<u>          </u>	<u>          </u>
1 Water Quality Sampling	\$ 12,900	\$ 12,900
2 Residual Quality Analysis	800	800
3 Consultant Services	4,000	4,000
4 USGA Allenwood Gage-Parameters	13,500	13,500
5 PFAS Water Quality Sampling/Analysis		2,000
6 Underground Markout Service	<u>2,000</u>	<u>1,800</u>
 Total Special & Professional Services	 <u>\$ 33,200</u>	 <u>\$ 35,000</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 2027

	Adopted F/Y26	Proposed F/Y27
	<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 The Bank of NY - Melon	2,300	2,300
5 Pre-Employment Physicals	<u>1,200</u>	<u>1,200</u>
 Total Special & Professional Services	 <u>\$ 10,000</u>	 <u>\$ 10,000</u>

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

**PROPOSED CAPITAL EQUIPMENT BUDGET**

FISCAL YEAR 2027

Description	(A)Addition	Year of Purchase	Dollar		Manasquan	Manasquan	Reservoir	WTP/TS
	(R)Replacemen	Vehicle/Equipment	Value	%	Reservoir	WTP/TS	Reserve	Reserve
Pick Up Truck - NJWA 55	R (557)	2015	75,000	45/55	33,750	41,250		
ZTR Mower Toro Ground Master 328D	R (471)	2009	30,000	84/16	25,200	4,800	21,049	0
Fixed vertical profiler water quality sonde	A		150,000		150,000			
		TOTAL	255,000		208,950	46,050	21,049	0
Less Amount charged to Reservoir Depreciation Reserve					21,049			
Less Amount charged to WTP/TS Depreciation Reserve								0
Total					187,901	46,050		
Additional Depreciation Reserve								0
Estimate					\$187,901	\$46,050		

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

**PROJECTED INSURANCE PROGRAM**

FISCAL YEAR 2027

Policy	Raritan Basin System	Manasquan Reservoir System	Manasquan Water Treatment Plant and Transmission System	Total Premium
PROPERTY/MOBILE EQUIPMENT	1,373,640	\$468,120	\$140,880	\$1,982,640
GENERAL/AUTO LIABILITY	283,440	\$50,880	\$15,240	\$349,560
POLLUTION LIABILITY	80,160	\$7,200	\$1,440	\$88,800
WORKERS COMPENSATION	152,880	\$21,360	\$22,800	\$197,040
EXCESS LIABILITY	598,200	\$53,280	\$10,560	\$662,040
MANAGEMENT LIABILITY				
:PUBLIC OFFICIALS	55,680	\$4,920	\$960	\$61,560
:CYBER RISK	14,640	\$1,320	\$240	\$16,200
:FIDELITY & CRIME				
TRAVEL ACCIDENT	2,400	\$240	\$42	\$2,682
DRONE	1,320			\$1,320
<b>TOTAL:</b>	<b>\$2,562,360</b>	<b>\$607,320</b>	<b>\$192,162</b>	<b>\$3,361,842</b>

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

**DEFINITIONS AND EXPLANATION OF THE FISCAL YEAR 2026  
OPERATING EXPENSE ACCOUNTS**

**ACCOUNT  
CODE TITLE**

5110      SALARIES AND WAGES

The following is a comparison of the subject expenditures for FISCAL YEAR 2026.

	Adopted FY26	Proposed FY27
Budgeted Positions	27	27
Expenditures:		
Regular Salaries	\$2,147,250	\$2,189,450
Overtime	\$115,600	\$115,880
Fringe Benefits	\$1,254,050	\$1,365,500
Retiree Health Benefits	\$252,950	\$286,900
Worker's Compensation	<u>\$5,000</u>	<u>\$5,000</u>
Total Salaries and Fringe Benefits	<b>\$3,774,850</b>	<b>\$3,962,730</b>
Allocation to Reservoir	\$1,807,504	\$1,849,810
Allocation to WTP	\$1,967,346	\$2,112,920

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 2026 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 2026 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 2026 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 \$5,000 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 2026 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.