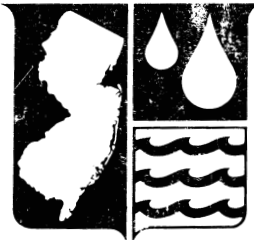
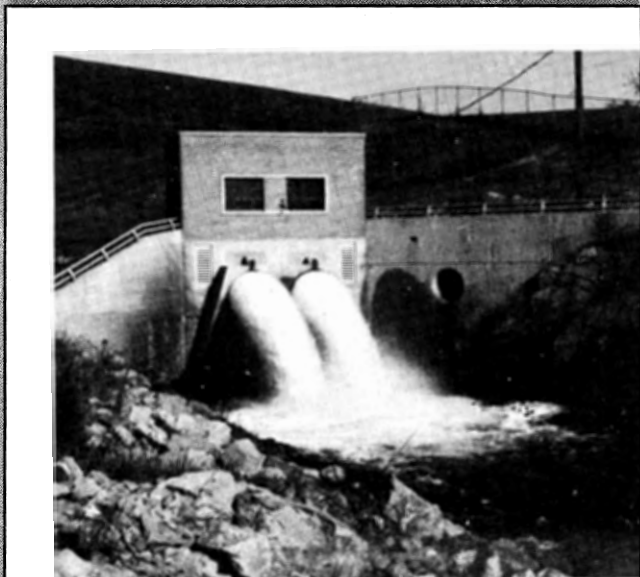


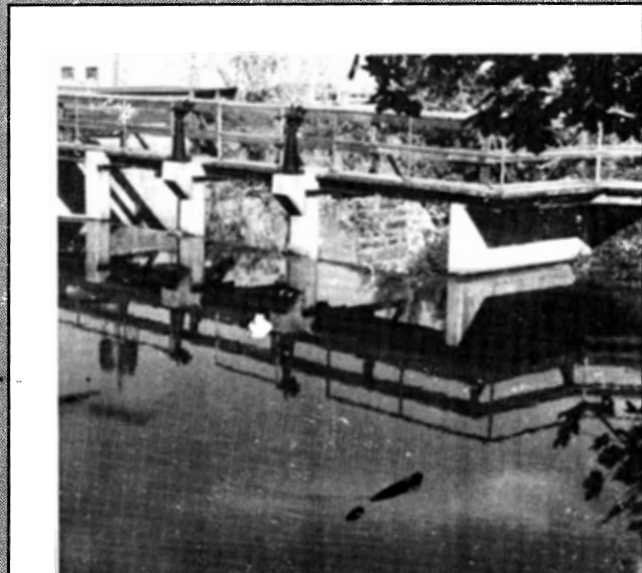
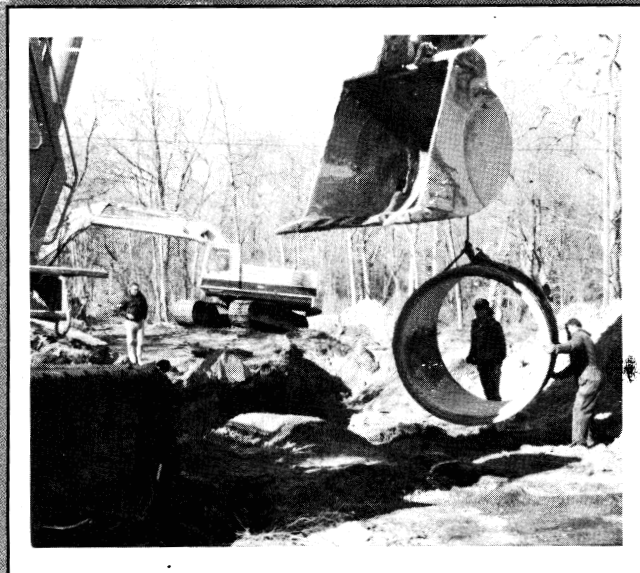
NEW JERSEY WATER SUPPLY AUTHORITY



EST. 1981



1987 ANNUAL REPORT



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Cover Captions

Water releases from Spruce Run Reservoir.

Installation of 66 inch pipeline at Manasquan Reservoir.

Swan Creek Aquaduct at Lambertville.



NEW JERSEY WATER SUPPLY AUTHORITY

P.O. BOX 5196 • CLINTON, N.J. 08809 • (201) 638-6121

January 1988

To the Honorable Thomas H. Kean, Governor
and Members of the New Jersey Legislature

The New Jersey Department of Environmental Protection (DEP) has designated most of Monmouth County as a "critical area" relative to its groundwater supplies. The New Jersey Water Supply Authority (Authority) in constructing and operating the new Manasquan Reservoir System is providing a solution to this serious overuse of the valuable groundwater resources. Construction of this important new surface water supply was started in September, 1987 and when completed in 1990 will supply 30 million gallons per day as a replacement for the depleted groundwater resources and will provide for the additional water supply needs resulting from development.

The Authority has started the design of a water treatment plant and transmission system to serve the Boroughs of Brielle, Spring Lake, Spring Lake Heights, Sea Girt and Wall Township. The design, construction and operation of these facilities by the Authority is the result of an agreement with the Monmouth County Improvement Authority, the owner of the facilities.

The eastern portion of Middlesex County and the western portion of Monmouth County are also affected by the D.E.P. "critical areas" designation. Progress has been made in the plans of the D.E.P. to bring additional surface water into these areas from the Authority's Delaware & Raritan Canal-Spruce Run/Round Valley Reservoir System. This System, currently the source of supply for 1,200,000 people in central New Jersey, has adequate capacity to meet the additional requirements resulting from the expansion of the service area.

This Annual Report outlines the diversity of the Authority's activities and the steady progress being made in maintaining and improving its existing facilities for central New Jersey. The Report also demonstrates the timely progress in the programs to develop the new facilities to serve Monmouth County.

Sincerely,

Richard T. Dewing
Chairman

Authority Members

Richard T. Dewling
Chairman

Saul K. Fenster
Vice-Chairman

Peggy Haskin
Secretary
Chairman, Public Participation Committee

Bruce G. Coe
Treasurer
Chairman, Finance Committee
Chairman, Personnel and Operations Committee

Raymond L. Blew, Jr.
Chairman, Consumers Committee

George M. Haskew
Chairman, Capital Projects Committee

Charles Moeller, Jr.

Staff

Rocco D. Ricci, P.E.
Executive Director

Michael J. Galley, P.E.
Chief Engineer

MONTHLY MEETINGS

The 1988 Monthly Meetings of the New Jersey Water Supply Authority are scheduled to be held in the Commissioner's Conference Room, East Wing, 7th Floor, Department of Environmental Protection Building, 401 East State Street, Trenton, New Jersey, on the following Mondays:

January 4, 1988	July 11, 1988
February 1, 1988	August 1, 1988
March 7, 1988	September 12, 1988
April 4, 1988	October 3, 1988
May 2, 1988	November 7, 1988
June 6, 1988	December 5, 1988

BACKGROUND

1987 marked the sixth full year for the New Jersey Water Supply Authority which was created on October 7, 1981 (P.L. 1981, c. 293) to operate existing State water supply facilities and develop future State water supply projects as recommended in the Water Supply Master Plan. All such facilities must be operated on a self-supporting basis. The existing Spruce Run/Round Valley Reservoir System and the Delaware and Raritan Canal Water Transmission Complex, as described in this report, provide the basic source of water supply to a number of public and private water utilities serving over 1,200,000 people in central New Jersey.

In September 1987 construction began on the 30 million gallon per day Manasquan Reservoir system in Monmouth County.

Under agreement with the New Jersey Department of Environmental Protection, the Authority also maintains emergency water supply pumping facilities capable of supplying up to 25 million gallons per day from Lake Hopatcong to northeast New Jersey.

1987— A YEAR OF SIGNIFICANT PROGRESS

A new surface water supply is needed in Monmouth County as a replacement for the stressed groundwater supplies and to keep pace with the increased demands associated with the continuing growth in the County. This new surface water supply, the Manasquan Reservoir system, moved forward during the year towards its scheduled completion in 1990. All permits were obtained after years of effort, the financing was secured and the construction of the project started in September, 1987. Before the construction of the project could be started, sufficient water purchase contracts had to be executed with the users of this new supply. At year-end thirteen contracts have been signed with public and private systems for the delivery of 13.565 million gallons per day (mgd). This represents 45.2% of the system capacity of 30 mgd.

A creative cooperative intergovernmental effort has also been put into place during the past year. The Boroughs of Brielle, Spring Lake, Spring Lake Heights, Sea Girt and Wall Township have entered into service agreements with the Monmouth County Improvement Authority for the financing, construction and operation of the water treatment and transmission facilities required to treat and convey the supply from the Manasquan Reservoir System to the municipalities. The Monmouth County Improvement Authority has entered into a separate contract with the New Jersey Water Supply Authority for the design, construction and operation of these facilities. The New Jersey Water Supply Authority has retained a consultant for the engineering design work and the treatment and transmission facilities are scheduled to be completed by May 1990.

In addition to the significant progress for the new system under construction in Monmouth County, the Authority continued its

efforts to properly manage and improve its Delaware and Raritan Canal—Spruce Run/Round Valley Reservoirs System. \$900,000 of capital projects were started during the year. These projects are the last of those that have been funded from the proceeds of previous State bond issues, annual revenues from the rehabilitation reserve fund and by receipt of unanticipated revenues. Implementation of the five year capital improvement program detailed in this Report is dependent upon the availability, by the summer of 1988, of funds from an Authority bond issue. This five year program is estimated to cost \$25,400,000 (in 1987 dollars). Preliminary work on this financing program was started towards the end of 1987.

The last time that the Authority's rates for the sale of water (Operations and Maintenance plus Debt Service) were increased was on July 1, 1986. The current total rate is \$152.12 per million gallons (mg). Adjustments in the general rate schedule have been proposed; however, the net effect of the proposal is to keep the total rate at \$152.12 per mg for the users of the D & R Canal—Spruce Run/Round Valley Reservoir System. It has also been proposed that the rates for the D & R Canal customers in the Delaware River Basin be increased from \$128.58 per mg to \$138.29 per mg. The proposed effective date of these adjustments is July 1, 1988.

Financial statements for the fiscal year ending June 30, 1987 are to be found in this Report. All of the Authority's fiscal objectives have been achieved for the year and the statements reflect the sound financial position of the Authority. The Authority's varied activities and accomplishments during the year are more fully described throughout the remainder of this Annual Report.

DELAWARE AND RARITAN CANAL— SPRUCE RUN/ROUND VALLEY RESERVOIRS SYSTEM

Facilities

Delaware and Raritan Canal

The Delaware and Raritan Canal Water Supply System was originally constructed in 1834 and operated as a barge canal until 1932. In 1974 the Canal was designated as a State Park and was also placed on the State and Federal Registry of Historic Sites.

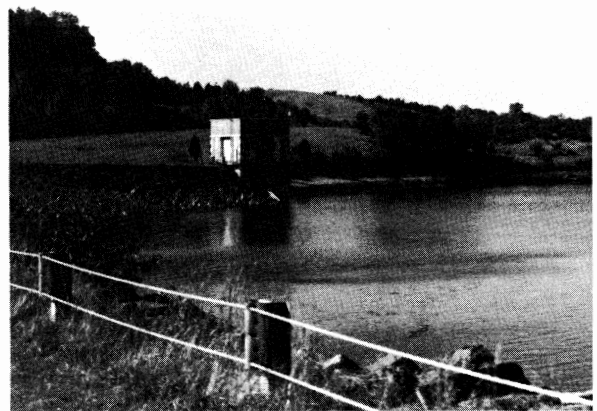
Originally, the navigable Delaware and Raritan Canal consisted of 43 miles of main Canal between the Delaware River at Bordentown and the Raritan River at New Brunswick and the 22 miles of feeder Canal between Bulls Island, Hunterdon County and the City of Trenton. The present Canal water supply transmission facility is 60 miles long with its Delaware River intake at Bulls Island in Hunterdon County and its outlet at the Raritan River in the City of New Brunswick. The Canal Right of Way varies

in width between 60 feet and 200 feet and includes a waterway varying between 40 and 80 feet. Flow from the Delaware River to the Raritan River is entirely by gravity and is regulated by control gates installed in the original lock structures.

In addition to the 100 million gallons per day (mgd) diversion entitlement from the Delaware River, natural streams and storm drains are directly tributary to the Canal. Four Authority Water Supply Operators, with 24-hour responsibility on their own initiative to take emergency action, constantly monitor water levels and weather conditions and adjust operating gates and open flood gates during times of heavy rainfall.



Looking upstream toward Route 95 where the Delaware and Raritan Canal leaves its parallel course along the Delaware River and heads easterly across New Jersey.



The South Tower at Round Valley Reservoir is one of many control structures used for operation of the Spruce Run/Round Valley Reservoir Complex.

Spruce Run and Round Valley Reservoirs

The Spruce Run and Round Valley Reservoirs located in Hunterdon County were constructed by the State of New Jersey as initial steps in the long-range water conservation and development program authorized by the 1958 Water Supply Law and its companion Water Bond Act.

The 55 billion gallon Round Valley Reservoir which became operational in 1965 was formed by construction of two dams and a dike, closing off gaps in a natural horseshoe rim-shaped valley. The earth dams and dike, faced with dumped stone riprap and sod, are of extra width, each with a clay core "off-center" to permit an increase in height for additional storage capacity. With no appreciable local drainage area (five square miles), Round Valley Reservoir must be filled by pumping from the South Branch of the Raritan River. Minimum flows must be maintained in natural streams below the Reservoir. To accomplish this, a total of one mgd is released from both the North and South Dams. A 108-inch diameter Release Pipeline which was completed in 1977, provides a discharge at the South Branch of the Rockaway Creek, through the Energy Dissipator, near Whitehouse Station in Readington Township.

The 350 mgd South Branch Pumping Station at Hamden, which pumps surplus water from the South Branch of the Raritan River, maintains the storage in Round Valley Reservoir via a 3.2 mile nine foot diameter force main which enters the reservoir at the South Dam.

The 11 billion gallon on-stream Spruce Run Reservoir, which was placed into operation in 1963, includes a 6,000 foot long earthen dam and two earthen dikes. A concrete spillway having a safe discharge capacity of 15.5 billion gallons per day provides

protection for the earthen dams during periods of heavy rainfall.

The two reservoirs, by augmenting streamflow during periods of low natural runoff, make available 160 mgd for sale at Bound Brook based on the 1960's drought. Additionally, a minimum statutory flow of 90 mgd must be maintained in the Raritan River at the Bound Brook stream gage. For these purposes, waters are released from the Spruce Run Reservoir to the South Branch of the Raritan River and from the Round Valley Reservoir to the South Branch of the Rockaway Creek, for routing to the Raritan River. Operation by the Authority staff involves maintenance of continuous hydrographs on the basis of data transmitted from six stream gaging stations. Predictions of natural flow at these control points, including anticipated storm runoff, must be made sufficiently in advance to allow for time of travel so that the releases meet minimum streamflow regulations and customer demands.

The 1958 Water Supply Law allows recreational use of the water supply facilities. The cost of the recreational facilities is provided and administered by the Department of Environmental Protection's Division of Parks and Forestry and Division of Fish, Game and Wildlife.

Raritan Basin to Delaware and Raritan Canal Interconnection Pumping Station

This 60 million gallons per day interconnection pumping station, located where the Raritan and Millstone Rivers meet adjacent to the Canal near South Bound Brook, represents a major component of the integrated management program for the water resources of the Raritan Basin and the water

diverted from the Delaware River. Now that the Canal has been restored to its carrying capacity of 100 mgd, it is also possible to use any excess flows, up to 30 mgd, for diversion into the Raritan Basin. These diversions for water supply result in the maximum conservation of stored waters in the Spruce Run and Round Valley Reservoirs. Full development of the maximum possible yields, resulting from the integrated management of the water from the two basins, at least cost, is vital to meeting the water supply needs of Middlesex County and other central New Jersey areas dependent upon these sources of supply.

Emergency Water Supply Facilities

Under agreement with the New Jersey Department of Environmental Protection, the Authority is responsible for the maintenance and safekeeping of certain pumping facilities in connection with the 25 mgd Lake Hopatcong emergency water supply system. During 1987 the Authority continued to maintain the component equipment which was put into storage during 1985.

Operations and Maintenance

In 1987, with slightly above average rainfall and capital improvement projects impacting minimally on water supply, the operation of the Delaware and Raritan Canal and the Spruce Run/Round Valley Reservoir Complex approached normal conditions.

Spruce Run Reservoir completed its refill cycle after a low of 35 percent of capacity in September of the previous year, and discharged over the spillway on April 4. The Reservoir never went below 94 percent of capacity for the remainder of the year and finished the year at 100 percent. Average release for sale and/or stream flow maintenance was 10.2 mgd for the year.

The only extraordinary releases required from Spruce Run Reservoir occurred in October when an oil spill from an ECRA clean-up project short circuited a local sewage treatment plant and approximately 4,000 gallons of fuel oil were discharged

into the South Branch of the Raritan River. The oil spill created treatment problems for our downstream water purveyors and major releases from the Reservoir (up to 180 mgd)



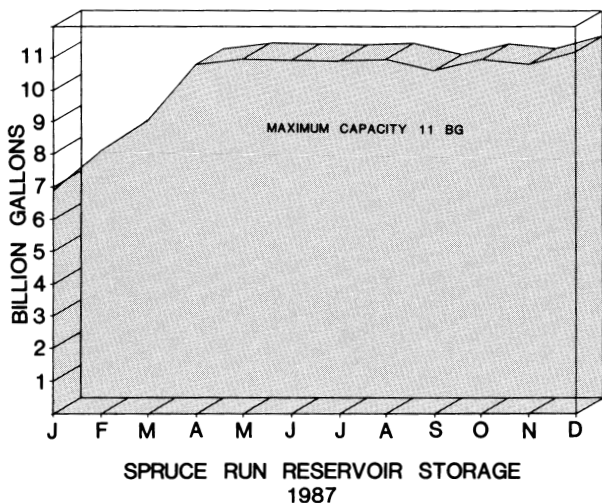
Above average rainfalls kept the Spruce Run Reservoir full and the overflow spillway active for much of 1987.

were made to help minimize the impacts of the oil in the river.

No releases were required from Round Valley Reservoir. With the addition of 1.36 billion gallons of water pumped from the South Branch of the Raritan River during the annual preventive maintenance exercising of the South Branch Pumping Station and normal rainfall, the Reservoir was up 4 percent from last year and above 96 percent of capacity going into the new year.

On three occasions during the year, construction activities in the Canal restricted flows which required augmentation of the Delaware Basin water supply. This was accomplished by the diversion of Millstone-Raritan Basin water at the Carnegie Lake Aqueduct and the operation of the Ten Mile Lock Pump Station. During these occasions the Ten Mile Lock Pump Station was operated for a total of 19 days at an average rate of 19.4 mgd.

Several severe thunderstorms during the month of July required extreme flow control measures to minimize flooding along the Canal and caused a substantial increase in basin transfer flow. The thunderstorms deposited as much as 3 inches in an hour in some locations causing flooding of local



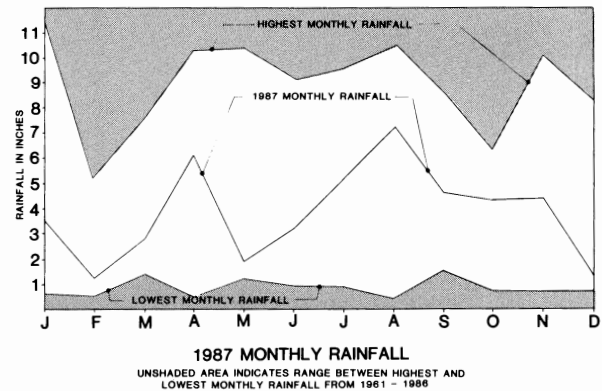
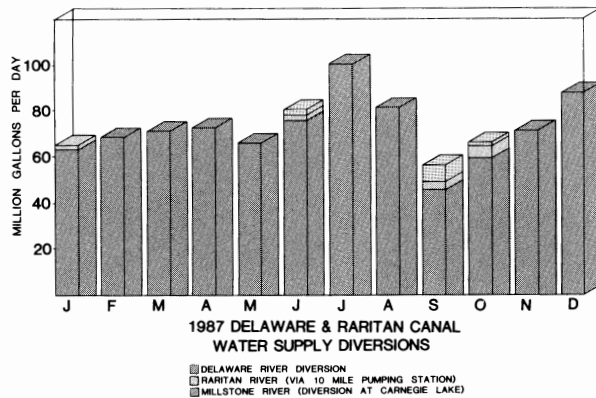
streams and roads. The storms caused minor damage within the Canal transmission complex mostly resulting in downed trees, buildup of debris and a slight overtopping of embankments.

Delaware and Raritan Canal Water Supply

Once the Ten Mile Run Culvert Rehabilitation work was completed and the bypass piping removed from the Canal in January, 1987, full flow was maintained through the Delaware and Raritan Canal for much of the year. Some minor interruptions to full Delaware River diversion still occurred. On two occasions during the year, normal operations were interrupted and alternate operational plans were put into effect in order to



The new Scudders Falls Waste Gate structure in Ewing Township helps control flows in the Delaware and Raritan Canal.



complete the Route 29 Wall Rehabilitation Project in Ewing Township, Mercer County. The alternate operational plan utilized stop planks at Mulberry Street and Lower Ferry Road while closing the Lambertville Lock. The waste gate structures at Scudder's Falls, Washington's Crossing and Lambertville were used to drain the level between Lambertville Lock and Lower Ferry Road. While the Route 29 Wall Project was under construction for approximately a three week period in late September to early October, downstream customers were supplied with water from the Carnegie Lake Aqueduct diversion facilities and supplemented by flows from the Raritan River at the Ten Mile Pumping Station.

Full Delaware and Raritan Canal operations were also hampered during the year by canal embankment seepage problems in the West Trenton area. In order to control seepage, a portion of the Lower Ferry Road stop plank structure remained in place from April through October. The stop plank structure raised the water level from the Lambertville Lock to Lower Ferry Road while maintaining a lower water level in the area of the seepage problems. A synthetic membrane extension to the embankment lining in the 1300 block of Edgewood Avenue was installed and several other water seepage areas in the City of Trenton are

still under investigation. Earlier in the year, french drain systems were also constructed along the Canal at School Lane in the City of Trenton. Other water seepage problems are the subject of ongoing investigations requiring the gathering of groundwater level data from observation wells and sumps.

Rehabilitation Projects

As part of the Authority's capital improvement program, several smaller but important projects were completed during the year through the use of construction contractors and in-house development of plans and specifications.

One such project was the completion of an aluminum stairway at the Ten Mile Interconnection Pumping Station. The stairway was constructed to improve access to the elevated operation deck at the pumping station.

Another project was the removal and disposal of temporarily stockpiled Canal sediments at the Port Mercer Dike area in Lawrence Township, Mercer County. A total of 4,400 cubic yards of stockpiled sediment were removed to an approved landfill by MRT Construction Corporation of Cran-

bury, New Jersey. The removal of the sediments plus the final grading and seeding of the area restored the dike to its original profile.

Dam Safety Program

The 1987 annual dam inspection of the Spruce Run/Round Valley Reservoir Complex was conducted by Woodward-Clyde Consultants on October 13 and 14. In general, the structures are considered to be in "good" condition. Woodward-Clyde Consultants have recommended that the remainder of the riprap on Spruce Run Dam and the riprap on the Round Valley Dams and Dike be upgraded in a phased program.

Also recommended by Woodward-Clyde Consultants was the continuation of programs of replacing gutters, filling of animal burrows and regrading the faces of the dams to eliminate ponded water in rutted areas.

Several deficiencies were identified in the condition of the Round Valley Release Pipeline and the Force Main Tunnel during the 1986 annual dam inspection performed by Woodward-Clyde Consultants. These deficiencies included the detection of voids around the perimeter of the Force Main Tunnel, deterioration of the protective coating on the twin conduits beneath the North Dam resulting in a significant rusting situation and deterioration of the mortar surfacing at a T-joint at the Whitehouse Station release exposing a misaligned pipe connection.

A professional services agreement was executed with Frederic R. Harris Consultants to perform a detailed inspection of the deficiencies, evaluate the seriousness of the deficiencies and design remedial measures as necessary.

Replacement of Underground Fuel Oil Tanks

An in-house program to replace underground fuel oil storage tanks at Authority Facilities was implemented during 1987. The underground tanks, many of which are in excess of 20 years old, pose a significant problem if a leak should develop and migrate into the groundwater.

The first tank to be replaced was a 10,000 gallon fuel oil tank at the South Branch Pumping Station. The new tank is a double walled corrosion-protected steel tank equipped with a leak detection and containment system. Installation of the new tank by Authority forces was in accordance with the recommendations of the American Petroleum Institute. The program will be continued in 1988 and the majority of the smaller storage tanks will be replaced.

New Storage Building and Conference Room

A 40 × 125 foot pre-engineered metal storage building was erected behind the Authority Administration Building to be used as a storage facility with conference room. The shell of the building was erected on a poured concrete foundation by Rochelle Contracting Company of Landing, New Jersey. The interior of the structure will be finished by Authority forces. It is anticipated that the building will be ready for use by May of 1988.

Administration Building Roof Replacement

The E. R. Barrett Co., Inc. has replaced the built-up roofing on the Administration Building at a cost of \$125,045. The new roof is a 20-year guaranteed fiberglass built-up roof.

Capital Improvement Projects

The Authority's sixth year saw the completion of nine projects, and the continuation of three projects under its Capital Improvement Program. The program is planned to systematically repair and/or improve the physical facilities in an orderly and fiscally sound manner.

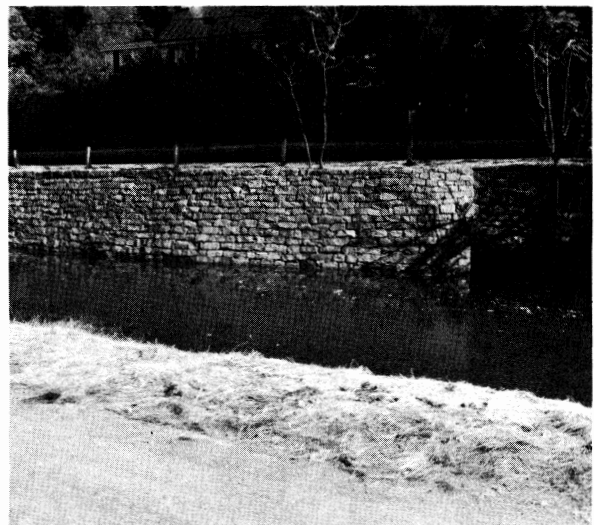
While the major Delaware and Raritan Canal sediment removal project was completed in December 1985, outstanding contractor claims totaling \$1,457,432 are the subject of a District Court case and \$94,785 is the subject of an Appellate Court case. A subcontractor's claim for \$835,397.10 was settled for \$212,100.93. These court cases are being addressed by the State of New Jersey, Division of Building and Construction, the construction manager for the sediment removal project. The last additional project related to this sediment removal project was completed during October.

Delaware and Raritan Canal Water Supply System Sediment Removal Project

The reconstruction of the N.J. Route 29 Stone Embankment Wall, the last rehabilitation project related to the 1985 Sediment Removal Program, located in the Scudder's Falls section of Ewing Township, was undertaken and completed in 1987. The contract was awarded to Conti Construction Company, Inc. of South Plainfield, New Jersey, at a cost of \$228,822.



Condition of Route 29 wall in Ewing Township prior to repair.



The rehabilitated wall also improved the flow in the Canal by preventing erosion of the bank into the waterway.

Canal Infrastructure Rehabilitation



The rehabilitation of Ten Mile and Six Mile culverts in Franklin Township was completed.

The Ten Mile Run Culvert and Six Mile Run Culvert rehabilitation projects were designed by Tippetts-Abbett-McCarthy-Stratton and a contract was awarded to Cris-Tec Associates at a cost of \$888,100. The rehabilitation work was completed by October 1987. Because of unsettled contractor claims, arbitration proceedings began in



Completed Gabion wall repair of the Canal embankment washout at the wing dam in the Delaware River near Lambertville.

March 1987 and continued until December 1987. The Arbitrators are expected to render a decision by February 1988.

In late spring, 1987, a localized embankment washout at the Delaware River, Lambertville Wing Dam abutment area required the immediate engagement of Woodward-Clyde Consultants. The consultant produced plans and specifications which utilized gabion baskets filled with trap rock stone to stabilize the embankment. The reconstruction of the embankment repair was accomplished in the early fall time frame by Vollers Excavating, Inc. of North Branch, New Jersey.



Additional seepage along Edgewood Avenue required extension of the liner in the Canal embankment.

In October, Wilko Corporation of Lincroft, New Jersey, completed an extension to the previous canal lining project which was designed to eliminate the seepage problem in the 1300 block of Edgewood Avenue in Trenton. The construction for the extension of the canal lining consisted of burying a synthetic membrane below the existing slope after removal of a wedge of soil along the top of bank. The excavated material was then replaced by compacting the soil in

thin lifts to restore the embankment to its original surface.

Spruce Run Dam Riprap Project

In November 1987, a design contract was awarded to Woodward-Clyde Consultants, Inc., Wayne, New Jersey, at a cost of \$24,000 to prepare a purchase order specification for the supply of riprap stone from a quarry and the preparation of construction plans and specifications for the Phase II stone riprap installation at the Spruce Run Reservoir Dam. Construction advertisement is anticipated for late Spring 1988.

Studies Completed

Consultants, Camp, Dresser & McKee, Inc., completed a Feasibility Study in 1985 to investigate the elimination of stormwater and sediment from the Canal's U.S. Route One Conduit in the City of Trenton. The final report was completed in May 1985 but several findings which took further investigation were finally resolved and the report completed in June 1987. A public meeting presentation was made to the Delaware and Raritan Canal Commission in September 1987. The report's "Recommended Alternate" is being incorporated in the Authority's Capital Improvement Program.

In July, 1986, EBASCO Services, Inc. was awarded a contract to investigate the options and costs for the elimination of stormwater and sediments discharged to the Canal for the reach from the Delaware River Intake at Raven Rock Lock to West Upper Ferry Road near Trenton. On April 23, 1987, the Authority increased the Scope of Services to include the impacts of Canal flood flow discharges to Gold Run at an additional cost of \$10,658. The draft final report was received in July 1987 and

public meetings were held with an Institutional Advisory Group, the general public and the Delaware and Raritan Canal Commission. These public commentaries were evaluated and the final report was submitted in October 1987. The report's major recommendations are being incorporated in the Authority's Capital Improvement Program.

In January 1987, the Department of Environmental Protection, Division of Water Resources, was authorized to contract with the New Jersey Institute of Technology to complete an analysis of the hydraulic carrying capacity of the Delaware and Raritan Canal from the 10 Mile Lock to the City of New Brunswick. As part of the Division's Eastern Raritan Basin Feasibility Study, the Institute is under contract to perform yield analyses studies of the Raritan River Basin Reservoir System and the hydraulic carrying capacity of the Canal from the Millstone Aqueduct to the City of New Brunswick. The Institute's work for the Authority began in July 1987 and was completed in December 1987 with the submission of a final report. The Study was done at a cost of \$28,000 to the Authority.

The rehabilitation design of the Kingston Lock, Kingston Waste Gate and Griggstown Waste Gate which was awarded to Whitman, Requardt and Associates, was completed by the end of 1987. Construction advertisement is anticipated for late Spring 1988.

The rehabilitation design of the Raven Rock Headgate Structure and the Alexauken Creek, Swan Creek and Carnegie Lake Aqueducts which was awarded to Sidney M. Johnson Associates was also completed by the end of 1987. Construction advertisement is anticipated for late Spring 1988.

Whitman, Requardt and Associates and Sidney M. Johnson Associates cooperated with the Authority staff in the development

of a prepurchase order specification for eighteen sluice gates for their projects. It is anticipated that advertisement for competitive bids will occur in early Spring 1988.

Five-Year Capital Improvement Plan

Engineering continued for the design and construction of several other projects planned under the Authority's updated Five Year Capital Improvement Program which has a total estimated cost in 1987 dollars of \$25,400,000. A listing of the specific projects and their estimated costs follows.

NEW JERSEY WATER SUPPLY AUTHORITY
FISCAL YEAR 1988 FIVE YEAR CAPITAL IMPROVEMENT PROGRAM Revised 12/17/87

PROJECT	FY '88	FIVE YEAR PLANNING PROGRAM				
		FY '89	FY '90	FY '91	FY '92	FY '93
1. ERP Sirens (RV/SR)	D \$ 105,249	(See #13 and #55 below for completion of design and construction)				
TOTAL	\$ 105,249*	0	0	0	0	0
2. US Route 1 Conduit Bypass (DRC)	FS \$ 74,000	Feasibility study completed. See #39 below for construction)				
3. (a) Ten Mile Run Culvert (DRC)						
(b) Six Mile Run Culvert (DRC)	C 1,850,000	(Project completed in CY 1987)				
4. Scudders Falls Waste Gate (DRC)	C 790,000	(Project completed in CY 1987)				
5. (a) Alexaukin Creek Aqueduct (DRC)						
(b) Swan Creek Aqueduct (DRC)						
(c) Carnegie Lake Aqueduct (DRC)	D 45,500	(See #35 below for construction)				
6. (a) Griggstown Waste Gate (DRC)						
(b) Kingston Lock (DRC)						
(c) Kingston Waste Gate (DRC)	D 77,074	(See #36 below for construction)				
7. Head Gates (DRC)	D 32,590	(See #41 below for construction)				
8. Siltation Control Study (DRC)	FS 269,045	(Study completed in CY 1987)				
TOTAL	\$3,138,209**					
9. Sediment Stockpile Area (DRC)	C \$ 75,000					
10. Sediment Stockpile Removal (DRC)	C 64,785	(Project completed in CY 1987)				
11. Ten Mile Pump Station Ladder (DRC)	C 11,000	(Project completed in CY 1987)				
12. Storage Building (SR/RV)	C 214,000	(Includes improvements with completion in CY 1988)				
13. ERP Sirens (SR/RV)	D 30,000					
14. South Branch Pump Sta Roof Repair	C 77,000					
15. Pump Station Repointing			C 60,000			
16. Underground Storage Tanks	D/C 254,000					
17. Reservoir Fencing (SR)		C 75,000	C 75,000	C 75,000		
18. Admin Building Fire Alarm	C 11,000	(Project completed in CY 1987)				
19. Roads (SR/RV)	C 55,000	C 70,000		C 70,000		
20. South Branch Erosion (SBPS)	C 22,000	(Project completed in CY 1987)				
21. ConRail Acquisition (DRC)	L 34,855	(Project completed in CY 1987)				
22. Griggstown Culvert (DRC)	D/C 170,600	(Project completed)				
23. Admin Building Improvements		C 25,000	C 50,000	C 25,000	C 50,000	
24. Admin Building Parking Area (SR)		C 50,000				
25. Admin Building Roof (SR)	C 130,000	(Completed in CY 1987)				
26. Sluice Gates Rehabilitation (DRC)		C 50,000	C 50,000	C 55,000	C 55,000	
27. Spruce Run Spillway			D/C 80,000			
28. Canal Fencing (DRC)	C 40,000					
29. Pipeline Repairs (RV)	D/C 440,000					
30. Dike Repairs (RV)	D/C 110,000					
31. Embankment Slide, L'ville (DRC)	C 100,000	(Completed in CY 1987)				
32. Sanhican Seepage Investigation	FS 16,860					
33. Hydrologic Study Phase II (DRC)	FS 28,000					
34. Radon Remedial Program (SR)	C 31,000					
35. (a) Alexaukin Creek Aqueduct (DRC)						
(b) Swan Creek Aqueduct (DRC)						
(c) Carnegie Lake Aqueduct (DRC)		C 636,067				
36. (a) Kingston Lock (DRC)						
(b) Kingston Waste Gate (DRC)						
(c) Griggstown Waste Gate (DRC)		C 703,000				
37. Raritan River Weir			D 115,000(1)		C 1,500,000	
38. Spruce Run Riprap Phases II & III	D 24,000	C 1,638,000				
39. US Route 1 Conduit Bypass (DRC)		EIA 50,000	D 350,000	C 1,900,000		
40. Canal Field Office (DRC)		L 75,000	D 40,000	C 600,000		
41. Headgates (DRC)		C 450,000				
42. (a) Ten Mile Lock Waste Gate (DRC)						
(b) Landing Lane Spillway (DRC)			D 40,000		C 500,000	
43. Heathcote Brook Culvert (DRC)			D 75,000		C 980,000	
44. (a) Wickecheoke Cr Culvert (DRC)						
(b) Lockatong Cr Structure (DRC)		D 375,000(1)		C 4,000,000		
45. Brookville Waste Gate (DRC)			D 50,000		C 400,000	
46. Lumberville Wing Dam (DRC)			D 140,000(1)		C 1,650,000	
47. Port Mercer Dike (DRC)			D 170,000(1)		C 1,750,000	

**NEW JERSEY WATER SUPPLY AUTHORITY
FISCAL YEAR 1988 FIVE YEAR CAPITAL IMPROVEMENT PROGRAM,
Continued**

Revised 12/17/87

PROJECT	FY '88	FIVE YEAR PLANNING PROGRAM				
		FY '89	FY '90	FY '91	FY '92	FY '93
48. Shipetaukin Creek Culvert (DRC)				D 25,000(2)		C 1,000,000
49. Round Valley Dams Riprap			D 150,000		C 1,000,000	C 1,000,000
50. South Dam Inlet Channel (RV)					D 50,000	C 500,000
51. Fiddlers Creek Culvert (DRC)				D 40,000		C 400,000
52. Lower Canal Improvement Study			FS 100,000(1)			
53. Flood Waste Structure (DRC)			D 100,000		C 999,000	
54. Two Stream Diversions (DRC)			D 50,000	C 450,000		
55. ERP Sirens (SR/RV)		C 425,000				
TOTAL	\$1,939,100***	\$4,646,067****	\$1,525,000****	\$7,410,000	\$7,184,000	\$4,650,000

*Funded From 1969 Bond Funds

**Funded From 1976 Bond Funds

***Funded From Rehabilitation Reserve

****Funded From 1988 System Improvement Bond Funds

FOOTNOTES

- (1) Includes Environmental Impact Analysis.
(2) Plans on shelf. This cost is for plans update prior to construction.

ABBREVIATIONS

RV	—Round Valley Reservoir	FS	—Feasibility Study
SR	—Spruce Run Reservoir	D	—Design Cost
SBPS	—South Branch Pump Station	C	—Construction Cost
DRC	—Delaware and Raritan Canal	D/C	—Design and Construction Cost
EIA	—Environmental Impact Analysis	L	—Land Acquisition
FY	—Fiscal Year	CY	—Calendar Year

MANASQUAN RESERVOIR WATER SUPPLY SYSTEM

**“UNDER CONSTRUCTION IN SEPTEMBER 1987—
SCHEDULED OPERATION 1990”**

Project History

In November of 1983, the New Jersey Water Supply Authority commissioned a team of engineering and planning consultants to begin an intensive study of the feasibility of implementing a major new public water supply project—the Manasquan Reservoir System—to serve the Monmouth-Ocean county region. Over the course of 15 months, the consulting team produced dozens of reports evaluating the many technical, environmental, social, governmental and economic issues involved in the project.

Each report was reviewed in draft by the Water Supply Authority’s Citizens Advisory Board on the Manasquan Reservoir Water Supply Project, as well as by the New Jersey Department of Environmental Protection, an independent Board of Consultants with special expertise in dam safety and water quality, and the Water Supply Authority itself. In addition, seven public meetings were held throughout the Monmouth-Ocean region during the course of the study, to report on the progress of the consultants and to receive public input.

The comments and recommendations of all these reviewers were then incorporated into the final version of each report. With the publication of an Engineering Report and an Environmental Assessment Report, the study work of the consultants was all but complete by March, 1985. The consultants began work on the actual design of the



Commissioner Dewling, Governor Kean and Monmouth County Freeholder Director Larrison Jr. turning over the first shovel of dirt at the October 19th ground breaking ceremony for the Manasquan Reservoir Project in Howell Township.

reservoir system in November, 1985. All permits were obtained in 1987 and construction of the project started in September 1987.

Manasquan Reservoir System Details

The Manasquan Reservoir System consists of a 740-acre reservoir in Howell Township that will hold about four billion gallons of water. This water will be drawn from the Manasquan River during times of high flow by an intake facility located in Wall Township, about five miles downstream from the reservoir.



Installation of the temporary earthen embankment cofferdam to control flood flows in Timber Swamp Brook upstream of the site of the Manasquan Reservoir Dam.

This new system can supply consumers with at least 30 million gallons of water daily even during a recurrence of the worst drought ever to strike the region. The intake facility and the reservoir will be connected by a pipeline, through which water will be pumped to the reservoir for long-term storage or released from the reservoir for purification and distribution to customers.

On a long term basis, approximately one-half of the Reservoir capacity, 15 million gallons per day (mgd), is expected to be delivered as untreated water to northeastern Monmouth County. This water is to be treated by Monmouth Consolidated Water Company for its own franchise area, several coastal systems and other water supply systems along the Raritan Bayshore. The remaining 15 million gallons per day is available for southern Monmouth County and possible future use in northern Ocean County. Brielle, Spring Lake, Spring Lake Heights, Sea Girt and Wall Township have contracted with the Monmouth County Improvement Authority for the construction



Installation of the 66" pipeline between the intake facility and the Manasquan Reservoir site is proceeding ahead of schedule.

and operation of the treatment plant and transmission facilities required to treat their supply from the Manasquan System. The New Jersey Water Supply Authority under a separate contract with the Improvement Authority will actually provide for the design, construction, operation and maintenance of these facilities. The Howell Township Municipal Utilities Authority will construct their own treatment facilities.

Reservoir Water Supply System Data

RESERVOIR

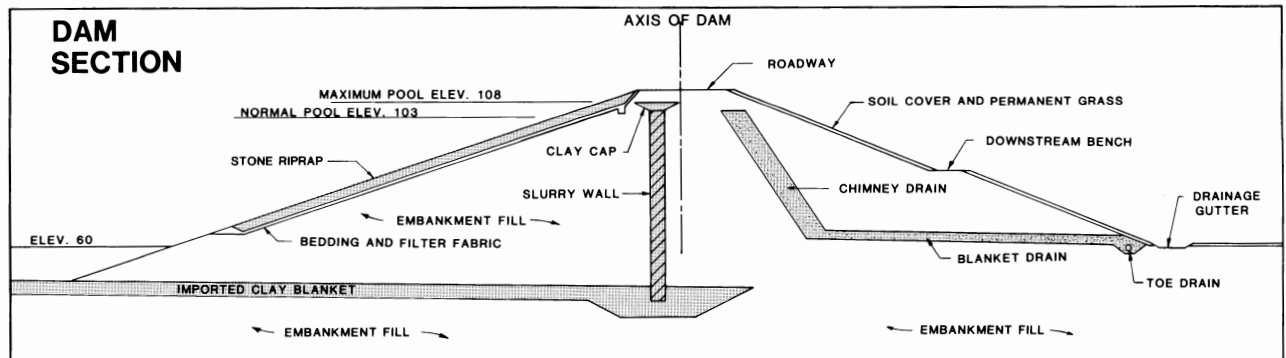
Total Area of Site	1272 acres
Water Surface Area	740 acres
Capacity	4.0 billion gallons
Dam & Dikes Length	4840 feet
Height	53 feet (max)

INTAKE

Total Area of Site	140 acres
Intake Pumping Station	
5 pumps each with a capacity of 30 mgd	
8 traveling screens	
Reservoir Pumping Station	
6 pumps each with a capacity of 20 mgd	
Pipeline—Connection between Intake Facilities and Reservoir	
Diameter—66 inches	
Length—5.25 miles	

System Costs and Users

Acquisition of the property for the Manasquan Reservoir System started in 1970 and was completed at a cost of \$3,900,000. Money for the acquisition of the property was made available through appropriation from the 1969 Water Conservation Bond Fund. A total of \$3,330,000 was also made available from the 1976 Clean Waters and the 1980 Natural Resources Bond Funds for the feasibility study. Neither of these amounts are to be repaid to the State of New Jersey by the users of the System.



Major System Costs

1. Property acquisition	\$ 3,900,000
2. Preliminary engineering & environmental studies	\$ 3,300,000
3. Final Design and Preparation of Plans and Specifications	\$ 3,000,000
4. Construction budget (including 5% contingency) and start up costs	\$73,000,000
<hr/>	
TOTAL ESTIMATED COST	\$83,200,000

The long term financing for the final engineering design, preparation of plans and specifications, the construction budget and start up costs is based upon an appropriation from the 1981 Water Supply Bond Fund. A loan from the State in the amount of \$63,600,000 was obtained on June 3, 1987. Since the four major contracts were awarded at prices approximately 10% over the engineers estimate, an additional \$6,500,000 will be borrowed from the State. The total loan which will amount to \$69,900,000 is to be repaid by the users of the system over a 30 year period.

As of October 1, 1987 the following systems have contracted for the indicated amounts of Reservoir System Supply:

Wall Township	2.30 mgd*
Borough of Avon	0.142 mgd
Shorelands Water Company	1.50 mgd
Monmouth Consolidated Water Company	5.00 mgd
Borough of Red Bank	0.778 mgd
Borough of Sea Girt	0.075 mgd
Borough of Spring Lake	0.31 mgd
Borough of Spring Lake Heights	0.45 mgd
Borough of Union Beach	0.50 mgd
Borough of Belmar	0.65 mgd
Howell Township MUA	1.13 mgd
Borough of Brielle	0.40 mgd
Borough of Highlands	0.33 mgd
<hr/>	
TOTAL	13.565 mgd

*mgd—million gallons daily

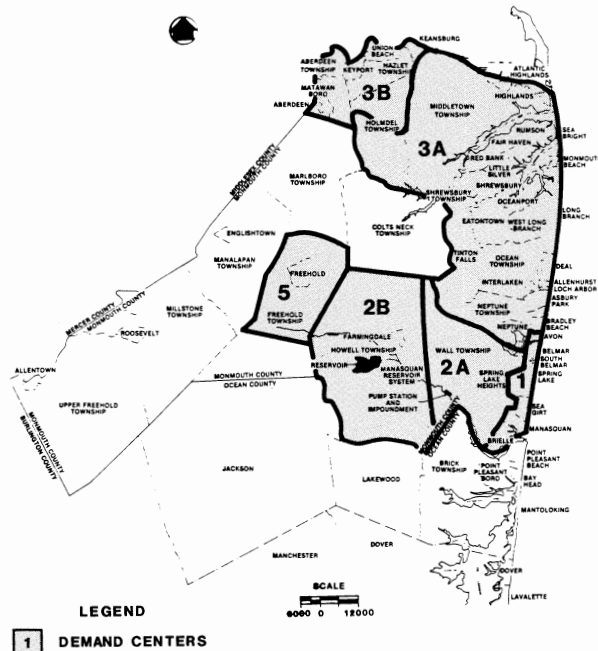


FIGURE 3-1 SERVICE AREA

Other systems are expected to contract for their supply in the near future and it is anticipated that the sales base will be close to 16 mgd when the System goes into operation in 1990. The initial sales base will result in an estimated unit cost of about \$990 per million gallons.

Why The Manasquan Reservoir Water Supply System Is Important For The Future Of Monmouth County

Sixty percent of the existing water supply in Monmouth County is obtained from the four major underground water bearing soil formations commonly referred to as aquifers. The remainder of the supply is furnished by a surface water supply system operated by the Monmouth Consolidated Water Company. The four aquifers are the Mount

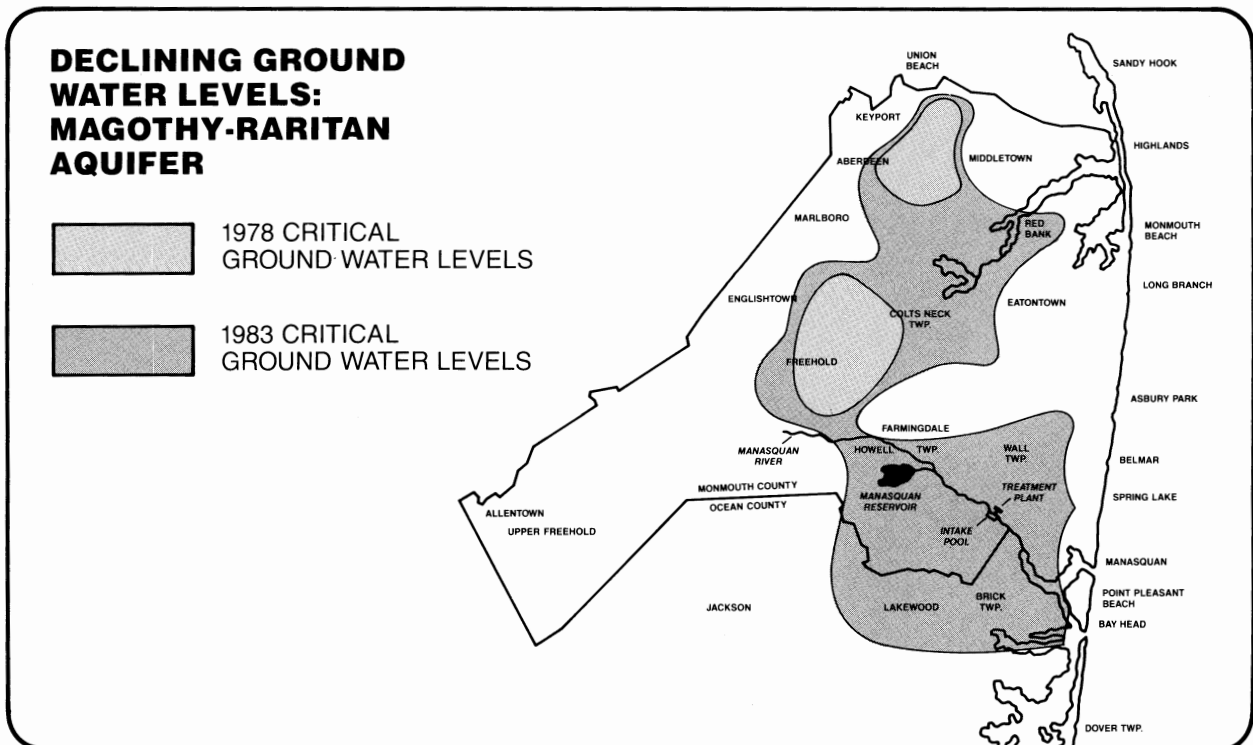
Laurel-Wenonah, Englishtown, the Old Bridge Sands and the Farrington. Over pumping from these aquifers during the past three decades has resulted in the serious depletion of these valuable water resources. As a result, the New Jersey Department of Environmental Protection (D.E.P.) has directed, under the "critical area" program, that the water supply systems reduce their existing use (using 1983 as the base year) from the Mount Laurel-Wenonah, Englishtown and Farrington aquifers by fifty percent and by forty percent for the Old Bridge aquifer. All of the water supply systems are to specify how they will replace the 1983 groundwater supplies consistent with the mandated reductions and how they will provide for the additional supplies needed for the continuing development throughout much of Monmouth County. The Manasquan Reservoir System, when completed in 1990, will provide the area with an additional new surface water supply of 30 mil-

lion gallons per day as a replacement for those reduced groundwater supplies and for the increased needs through the 1990's due to development in the County.

Protection of the valuable groundwater resources makes it all the more important that the Manasquan Reservoir System be completed as soon as possible. The development of the project remains on schedule, as it has since the Authority started work on the project in 1983.

The Environmental Impacts Of Building And Operating This New Water Supply Project

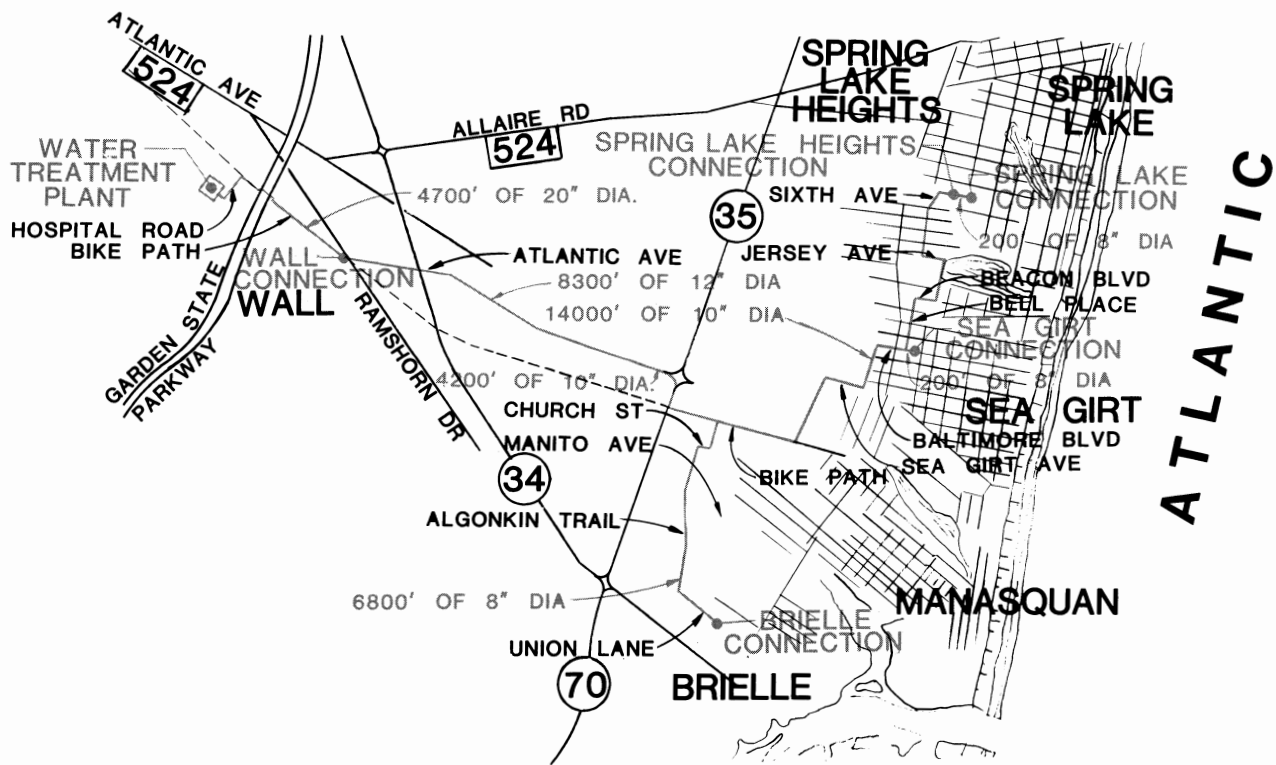
A major outcome of the Manasquan feasibility study was the publication of a comprehensive report that assessed the system's environmental impacts, evaluated ways to mitigate those impacts, and considered all the pluses and minuses.



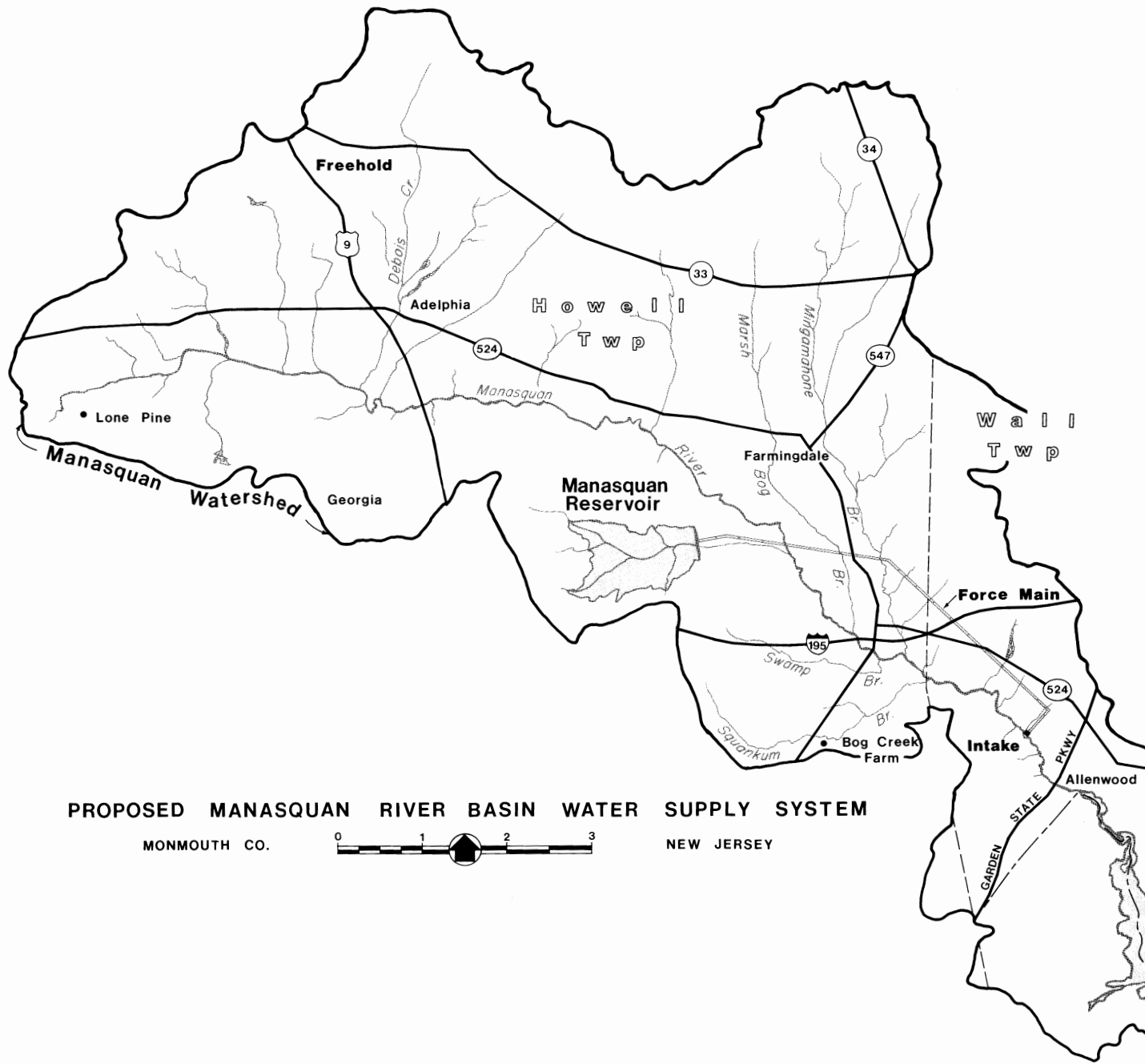
This Environmental Assessment Report concluded that the most significant environmental benefits of developing the project are related to the protection it would provide for the region's threatened groundwater resources. On balance, these benefits far outweigh the modest, and primarily localized, impacts associated with construction and operation of the project.

The construction of the reservoir system will impact upon the fresh water wetlands

in the area. A wetlands mitigation program was developed with the assistance of representatives of the DEP and several Federal agencies. The wetlands mitigation program, as recommended by this group, was adopted by the Authority and is included in the construction plans for the System at a cost in excess of \$5.5 million.



WATER TREATMENT AND TRANSMISSION SYSTEM



PROPOSED MANASQUAN RIVER BASIN WATER SUPPLY SYSTEM

MONMOUTH CO.

NEW JERSEY



FINANCIAL MANAGEMENT

The Authority's management and reporting system continues to provide the basis for timely cash flow analysis, controlling expenditures, assuring compliance with the Authority's fiscal policies and determining the real cost of services—the information required to support future rate adjustments. This system segregates the costs of the Delaware and Raritan Canal-Spruce Run/Round Valley Reservoirs Water Supply System from the Manasquan Reservoir System and the Manasquan Water Treatment Plant and Transmission Facilities.

Delaware and Raritan Canal-Spruce Run/ Round Valley Reservoirs Water Supply System

Through the application of effective budgetary controls, the Authority achieved its financial objectives for 1987 and the dollar balances of the various Reserve Funds as required by policy. The Authority is able to retain the Operation and Maintenance Rate Component (\$94.64 per million gallons) established on July 1, 1986 without pursuing a rate increase through June 30, 1989. This was reflected in rate schedule amendments which were proposed by the Authority at its December meeting. The proposed amendments with an effective date of July 1, 1988 include changes in the sales base, the retirement of the 1958 Bonds used to finance the reservoirs and the establishment of a Debt Rate Stabilization Fund (\$10.50 per million gallons).

The Authority has, since its creation in 1981, financed its capital improvement program for the Delaware and Raritan Canal-

Spruce Run/Round Valley Reservoirs System from the proceeds of residual 1969 and 1976 Bond funds, the \$19,600,000 borrowing from the 1981 Water Supply Bond Funds, annual revenue contributions to the rehabilitation reserve fund and by the receipt of unanticipated revenues. The Authority has developed a current 5-year capital improvement program with an estimated cost in 1987 dollars of \$25,400,000. Implementation of this capital improvement program is dependent upon the availability of funds from a long term financing program. Development of this financing program was started at the end of the year and it is planned to close on the financing by mid-1988.

Manasquan Reservoir System

On June 3, 1987, the New Jersey Water Supply Authority issued \$63,600,000 aggregate principal amount of its Manasquan Water Supply System State Loan Notes. The proceeds of the State Loan Notes at a fixed rate of 7.15% were applied to the refunding of the then outstanding \$66,200,000 aggregate principal amount of the Authority's Variable Rate Demand Bonds. (Manasquan Reservoir Project) Series 1985. An additional \$6,500,000 is to be borrowed from the State in the spring of 1988. These fixed rate loans are based upon a \$72,000,000 appropriation from the 1981 Water Supply Bond Fund and will be repaid by the users of the system over a 30-year period.

With the start of construction in September, the Authority assumed responsibility for financial control of each construction contract, and monitoring spending to see that each contract individually and the project as a whole remains within budget. Prior implementation of a computerized system has proved to be an invaluable tool in controlling these project costs. By continually updating various contract budgets with information from the Construction Management Consultant, the Authority is in a position where it can, on a monthly basis, control the flow of available funds and monitor overall project costs.

Manasquan Reservoir Water Treatment Plant

On September 1, 1987 the Authority entered into an agreement with the Monmouth County Improvement Authority to design, construct, operate and maintain a Water Treatment Plant and Transmission System. The New Jersey Water Supply Authority, as part of this Agreement, will have access to funds being held by the Trustee, New Jersey National Bank. These funds were raised independently through a separate issue of bonds by the Monmouth County Improvement Authority on behalf of Brielle, Spring Lake, Spring Lake Heights, Sea Girt and Wall Township. All costs incidental to construction of these facilities must be segregated from other Manasquan Reservoir Project funds. As is the case for the Manasquan Reservoir Project, controls on spending and allocation of time incurred by Authority personnel must be kept on a daily basis. Adoption of necessary fiscal measures have been taken to put these controls in place and enforce budgetary controls as this project progresses.

SUMMARY OF WATER USE CONTRACTS

as of January 1, 1988

(Million Gallons per Day — mgd)

Delaware and Raritan Canal

User	Potable	Industrial	Irrigation	Total Allotment
Lambertville Water Compay	0.200 (1)			0.200
Mercer County Park Commission			0.100 (1)	0.100
Trenton Country Club			0.250 (1)	0.250
Fermenta Animal Health Co.		0.667 (1)		0.667
Total Delaware Basin	<u>0.200</u>	<u>0.667</u>	<u>0.350</u>	<u>1.217 mgd</u>
Vaccaro Brothers			0.200	0.200
Mercer County Park Commission			0.135	0.135
Princeton University (Forrestal)		1.000		1.000
Princeton Nurseries			0.300	0.300
North Brunswick Township	8.000			8.000
Selody Sod Farms, Inc.			0.100	0.100
Elizabethtown Water Company	32.000			32.000
Union Carbide Corporation		0.720		0.720
East Brunswick Township	4.000			4.000
City of New Brunswick	10.500			10.500
Johnson & Johnson		2.326		2.326
Middlesex Water Company	10.000			10.000
Total Raritan Basin	<u>64.500</u>	<u>4.046</u>	<u>0.735</u>	<u>69.281 mgd</u>
Total Delaware & Raritan Canal	<u>64.700</u>	<u>4.713</u>	<u>1.085</u>	<u>70.498 mgd</u>
Spruce Run/Round Valley Reservoirs				
East Brunswick Township	4.000			4.000
Ethyl Corporation		0.012 (2)		0.012
Elizabethtown Water Company	70.000			70.000
Johns Manville		3.500 (2&3)		3.500
Middlesex Water Company	10.000			10.000
Total Spruce Run/Round Valley	<u>84.000</u>	<u>3.512</u>	<u>0.000</u>	<u>87.512 mgd</u>
GRAND TOTAL	<u>148.700</u>	<u>8.225</u>	<u>1.085</u>	<u>158.010 mgd</u>

(1) These users are excluded from payment of the debt service rate component for the Spruce Run/Round Valley Reservoir System.

(2) Non-depletive use

(3) Annual average

SUMMARY OF FIRE STANDBY CONTRACTS

Delaware and Raritan Canal

User	Withdrawal Capacity (gpm)
Friction Division Products, Inc.	1,500
Union Carbide Corporation	4,700
Spruce Run/Round Valley Reservoirs	
National Starch & Chemical Co.	700

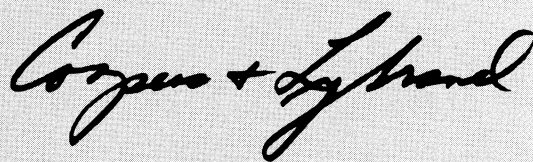
To the Members of the
New Jersey Water Supply Authority:

We have examined the balance sheets of the New Jersey Water Supply Authority as of June 30, 1987 and 1986, and the related statements of operations and net income appropriated for reserves and changes in financial position for the years then ended. Our examinations were made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the financial statements referred to above present fairly the financial position of the New Jersey Water Supply Authority at June 30, 1987 and 1986, and the results of its operations and the changes in its financial position for the years then ended, in conformity with generally accepted accounting principles applied on a consistent basis.

Our examinations were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The statement of changes in cash and investments by fund for the year ended June 30, 1987 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the examination of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Newark, New Jersey
September 4, 1987



New Jersey Water Supply Authority
BALANCE SHEETS
June 30, 1987 and 1986

<u>ASSETS</u>	<u>1987</u>	<u>1986</u>
Utility plant:		
In service (Notes 2, 3 and 9)	\$ 80,427,024	\$ 78,274,847
Less, accumulated depreciation	<u>12,132,327</u>	<u>10,516,568</u>
Net utility plant in service	68,294,697	67,758,279
Construction work in progress (Note 2)	<u>8,872,704</u>	<u>5,542,935</u>
Net utility plant	<u>77,167,401</u>	<u>73,301,214</u>
Current assets:		
Cash	40,215	38,909
Short-term investments (Note 2)	5,393,756	5,366,583
Accounts receivable, less allowance for doubtful accounts of \$1,000 in 1987 and \$2,000 in 1986	1,218,747	720,728
Accounts receivable—State of New Jersey	631,972	595,008
Prepaid expenses and other current assets	<u>426,458</u>	<u>250,741</u>
Total current assets	<u>7,711,148</u>	<u>6,971,969</u>
Deferred charges and other assets:		
Restricted investments: (Note 2)		
D & R Canal Project	34,159	1,585,322
Manasquan Project—State Loan Notes proceeds	60,963,748	
Manasquan Project—variable rate demand bonds		65,510,331
Appropriations receivable—State of New Jersey (Note 4)	1,956,187	3,842,711
Costs to be recovered from future revenues (Note 2)	<u>519,313</u>	<u> </u>
Total deferred charges and other assets	<u>63,473,407</u>	<u>70,938,364</u>
Total assets	<u>\$148,351,956</u>	<u>\$151,211,547</u>

*The accompanying notes are an integral
part of these financial statements.*

New Jersey Water Supply Authority
BALANCE SHEETS, Continued
June 30, 1987 and 1986

<u>CAPITALIZATION AND LIABILITIES</u>	<u>1987</u>	<u>1986</u>
Capitalization:		
Contributed capital (Note 4)	\$ 47,946,816	\$ 47,961,081
Accumulated income appropriated for reserves	<u>6,735,104</u>	<u>6,028,341</u>
Total capitalization	<u>54,681,920</u>	<u>53,989,422</u>
Long-term liabilities:		
Due to State of New Jersey, net of unamortized issuance costs of \$477,227 and accrued interest of \$336,383 (Note 5)	89,845,435	28,103,181
Bonds payable, variable rate demand bonds, Manasquan Project, net of unamortized issuance costs of \$492,522 in 1986 (Note 6)		65,707,478
Deferred rebate requirement (Note 11)	<u>31,157</u>	<u> </u>
Total long-term liabilities	<u>89,876,592</u>	<u>93,810,659</u>
Current liabilities:		
Current portion of payable to State of New Jersey (Note 5)	1,716,902	1,319,782
Accounts payable	1,702,769	1,427,076
Accrued payroll and payroll taxes	132,641	127,653
Accrued interest payable—Manasquan Project		263,814
Other current liabilities	<u>241,132</u>	<u>273,141</u>
Total current liabilities	<u>3,793,444</u>	<u>3,411,466</u>
Total capitalization and liabilities	<u>\$148,351,956</u>	<u>\$151,211,547</u>

*The accompanying notes are an integral
part of these financial statements.*

New Jersey Water Supply Authority
STATEMENTS OF OPERATIONS AND ACCUMULATED INCOME
APPROPRIATED FOR RESERVES
for the years ended June 30, 1987 and 1986

	<u>1987</u>	<u>1986</u>
Operating revenues:		
Water sales	\$8,703,542	\$7,599,316
Operating expenses:		
Payroll	2,424,247	2,279,578
Operations and maintenance	1,511,752	1,418,019
Fringe benefits (Note 8)	<u>577,278</u>	<u>507,562</u>
Total operating expenses	<u>4,513,277</u>	<u>4,205,159</u>
Income from operations before depreciation	4,190,265	3,394,157
Depreciation	<u>1,839,095</u>	<u>1,243,245</u>
Income from operations	<u>2,351,170</u>	<u>2,150,912</u>
Costs to be recovered from future revenues (Note 2)	<u>519,313</u>	<u> </u>
Non-operating revenues:		
Interest income	366,878	407,502
Rental income	39,765	40,199
Other income	<u>8,250</u>	<u>6,574</u>
Total non-operating revenues	<u>414,893</u>	<u>454,275</u>
Non-operating expenses:		
Interest component of debt service to the State of New Jersey	1,496,571	844,407
Amortization of financing costs:		
D&R Canal Project		197,806
Manasquan Project—variable rate demand bonds	719,747	405,913
Manasquan Project—State Loan Notes	1,179	
Brokers' Fees—D&R Canal Project		12,895
Letter of credit fees—Manasquan Project variable rate demand bonds	284,572	145,585
Remarketing fees—Manasquan Project variable rate demand bonds	<u>76,544</u>	<u>41,834</u>
Total non-operating expenses	<u>2,578,613</u>	<u>1,648,440</u>
Net income	706,763	956,747
Accumulated income appropriated for reserves, beginning of period	<u>6,028,341</u>	<u>5,071,594</u>
Accumulated income appropriated for reserves, end of period	<u>\$6,735,104</u>	<u>\$6,028,341</u>

*The accompanying notes are an integral
part of these financial statements.*

New Jersey Water Supply Authority
STATEMENTS OF CHANGES IN FINANCIAL POSITION
for the years ended June 30, 1987 and 1986

	1987	1986
Funds provided by:		
Net income	\$ 706,763	\$ 956,747
Add back, items not affecting funds:		
Depreciation	1,839,095	1,243,245
Amortization of financing costs:		
D&R Canal Project		197,806
Manasquan Project—variable rate demand bonds	719,747	405,913
Manasquan Project—State Loan Notes	1,179	
Gain on sale of fixed assets	5,505	15,347
Funds derived from operations	3,272,289	2,819,058
Issuance of tax-exempt commercial paper		228,019,000
Issuance of variable rate demand bonds	745,395,000	914,565,000
Long-term loan—State of New Jersey	63,936,383	19,600,000
Decrease in appropriations receivable—		
State of New Jersey	1,886,524	662,962
Increase in deferred rebate requirement	31,157	
Increase in accounts payable	275,693	254,658
Increase in accrued payroll and payroll taxes	4,988	31,282
Decrease in accrued interest receivable		3,550
Total funds provided	\$814,802,034	\$1,165,955,510

*The accompanying notes are an integral
part of these financial statements.*

New Jersey Water Supply Authority
STATEMENT OF CHANGES IN FINANCIAL POSITION, Continued
for the years ended June 30, 1987 and 1986

	<u>1987</u>	<u>1986</u>
Funds applied to:		
Redemption of tax-exempt commercial paper		\$ 228,019,000
Redemption of variable rate demand bonds	\$745,395,000	848,365,000
Retirement of tax-exempt commercial paper		20,041,000
Retirement of variable rate demand bonds	66,200,000	
Payments to the State of New Jersey for bond principal	1,319,782	1,180,814
Additions to utility plant in service and under construction	5,481,946	6,240,483
Retirement of fixed assets	228,841	75,890
Financing costs of variable rate demand bonds	227,225	898,435
Financing costs of State Loan Notes	478,406	
Financing costs of tax-exempt commercial paper		98,313
Increase in accounts receivable—State of New Jersey	36,964	255,028
Increase in accounts receivable, net	498,019	223,057
Decrease in capital contributed	14,265	
Increase in costs to be recovered from future revenues	519,313	
Increase (decrease) in prepaid expenses and other current assets	175,717	(101,422)
Decrease (increase) in accrued interest payable—Manasquan Project	263,814	(263,814)
Decrease (increase) in other current liabilities	<u>32,009</u>	<u>(233,551)</u>
 Total funds used	 <u>820,871,301</u>	 <u>1,104,798,233</u>
 Increase (decrease) in cash, short-term and restricted investments	 (6,069,267)	 61,157,277
Cash, short-term and restricted investments, beginning of period	<u>72,501,145</u>	<u>11,343,868</u>
 Cash, short-term and restricted investments, end of period	 <u>\$ 66,431,878</u>	 <u>\$ 72,501,145</u>

*The accompanying notes are an integral
part of these financial statements.*

New Jersey Water Supply Authority—Notes to Financial Statements

1. Organization and Operations:

The New Jersey Water Supply Authority (the "Authority") is a public body, corporate and politic, constituted as an instrumentality of the State of New Jersey, exercising public and essential governmental functions. The Authority was created by the New Jersey Water Supply Authority Act (the "Act") on October 7, 1981, and in connection with the Act, all water supply facilities owned or operated by the State (Delaware and Raritan Canal Transmission Complex and Spruce Run-Round Valley Reservoir Complex) were transferred or leased to the Authority (See Note 9). The Act empowers the Authority to acquire, finance, construct and operate water systems under certain circumstances and authorizes the issuance of bonds of the Authority and provides for the terms and security thereof. The members of the Authority consist of the Commissioner of the New Jersey Department of Environmental Protection (ex officio member) and six public members appointed by the Governor upon the advice and consent of the New Jersey Senate. The public members represent the agricultural community, industrial water users, residential water users and private watershed associations.

2. Summary of Significant Accounting Policies:

Basis of Accounting

The Authority derives most of its revenues from water user charges and is considered to be an enterprise fund; accordingly, the Authority presents its financial statements on the accrual basis of accounting. In addition, the Authority has established certain restricted funds as directed by internal resolution.

Revenues

Charges for wholesale water usage are established to provide sufficient services, essential repairs and improvements to utility plant, and repayment of debt service on certain State bonds used for plant construction. Sales are recognized as revenue after water is used by customers.

Utility Plant

Utility plant is stated at original cost and consists primarily of amounts expended to license, construct, acquire, complete and place in operation the projects of the Authority. Such expenditures include labor, materials, services and indirect costs. Normal maintenance and repair costs are charged to operations and maintenance expense. Major repairs, improvements and replacements are capitalized. Costs of computer hardware and software are capitalized. Interest earned on State Loan Notes proceeds and variable rate demand bonds used for utility plant construction and temporarily invested during the construction period is netted against interest expense with the excess, if any, offset to construction work in progress. The cost of utility plant retired and any gain or loss on the disposal of such utility plant is charged to accumulated depreciation.

Depreciation

Utility plant is depreciated on the straight-line basis over the estimated useful lives of the various classes of plant.

Investments

Short-term investments and restricted investments for construction and repayment of interest on the tax-exempt commercial paper consist primarily of money market funds with variable interest rates at June 30, 1987 and 1986. Restricted investments at June 30, 1986 for construction and repayment of interest on the variable rate demand bonds issued were governed by an investment agreement whose return was indexed off of the 90-day LIBOR rate. Restricted investments at June 30, 1987 for construction and repayment of interest on the Manasquan State Loan Notes are governed by an investment agreement whose return is fixed at 7.72%. All investments are carried at cost, which approximates market.

Costs to be recovered from future revenues

The Authority's cost recovery rate model used to establish rates, fees and charges includes an amount for debt principal repayment and not depreciation on the related debt financed assets. In accordance with Financial Accounting Standards Board Statement No. 71, the Authority has deferred the excess of current depreciation on assets financed with bond proceeds over the costs for debt principal repayment. The deferred costs will be recovered through future revenues in accordance with the rate model. No costs were deferred in 1986 since the excess costs were immaterial. The deferred amount for the year ended June 30, 1987 was determined as follows:

Cost excluded in rate model:	
Depreciation of debt financed utility plant	\$1,839,095
Cost included in rate model:	
Debt principal repayment	<u>1,319,782</u>
	<u>\$ 519,313</u>

3. Utility Plant:

At June 30, 1987 and 1986, utility plant in service, at original cost consists of the following major classifications.

	Estimated Useful Life	June 30, 1987	June 30, 1986
Land and land rights		\$ 6,091,877	\$ 6,091,877
Dams	100 years	47,185,208	47,185,208
Building, structures and improvements	40 years	4,881,437	4,696,411
D&R Canal Dredging Project	20 years	20,340,701	18,660,510
Machinery and equipment	3,5,10 years	1,927,801	1,640,841
		<u>\$80,427,024</u>	<u>\$78,274,847</u>

4. Appropriations Receivable—State of New Jersey:

Appropriations receivable represent amounts appropriated for future utility plant construction to the Authority under the following State of New Jersey general obligation bond acts:

Bond Acts	June 30, 1987
1969	\$ 424,544
1976	1,531,643
1980	—
	<u>\$1,956,187</u>

In connection with the creation of the Authority in October, 1981, the Act required the transfer of certain available project monies appropriated by the State of New Jersey under the 1980 Bond Act. During fiscal year 1987, the remaining 1980 appropriation of \$14,265 was closed out and the unexpended funds were reclaimed by the State.

5. Due to State of New Jersey:

The Authority has a contractual obligation to retire the remaining principal and interest associated with the 1958 and 1969 bond issues. The bonds bear interest at 3.269% and 5.407%, respectively. The Authority also has a contractual obligation to repay the December 12, 1985 loan of \$19,600,000 which bears interest at 7.30%. These funds were obtained from the 1981 bond appropriation of \$20,550,000. On June 3, 1987, the Authority issued \$63,600,000 of its Manasquan Water Supply System State Loan Notes (the "State Loan Notes") pursuant to the terms of a State Loan Agreement between the Authority and the State of New Jersey (the "State Loan Agreement") from moneys made available from a State bond appropriation of \$72,000,000. The State Loan Notes bear interest at 7.15%. Aggregate maturities of bond, loan and State Loan Notes principal and interest are as follows:

<u>As of June 30,</u>	
1988	\$ 3,159,310
1989	2,437,880
1990	2,624,420
1991	2,620,141
1992	3,721,571
1993 through 2027	<u>120,473,330</u>
Total principal and interest	135,036,652
Less, amounts representing interest	<u>42,997,088</u>
Principal amount due to State of New Jersey	92,039,564
Less current portion	<u>1,716,902</u>
Long-term liability at June 30, 1987	<u>\$ 90,322,662</u>

The Authority has no obligation to repay the 1976 and 1980 bond proceeds as these issues were considered to be contributed capital.

In accordance with the terms of the State Loan Agreement the State Loan Notes are classified as either Current Debt Service Portion Notes or Deferred Debt Service Portion Notes. The principal amount classified as the Current Debt Service Portion Notes is \$27,051,200 (the "Current Notes") and the principal amount classified as the Deferred Debt Service Portion Notes is \$36,548,800 (the "Deferred Notes"). Payment of the interest on the Current Notes is deferred until February 1, 1991 or such later February 1 or August 1 as is at least two months following the date which the Authority's Manasquan Reservoir Water Supply System (the "System") becomes fully operable. Interest accruing on the Current Notes prior to the first interest payment date accretes as principal and bears interest at the rate of 7.15% per annum. Principal of the Current Notes, including the interest that has accreted as principal, shall be payable in thirty annual installments, the first of which is due on August 1, 1991 or such later August 1 as is the first such date which is at least thirteen months following the date upon which the System becomes fully operable.

The Deferred Notes bear interest from June 3, 1987 but such interest is not payable until the Deferred Notes have been exchanged for Current Notes. Interest accruing on the Deferred Notes accretes as principal and bears interest at the rate of 7.15% per annum. Interest on the Deferred Notes will cease to accrue three years after the first payment of interest on the Current Notes. Principal of the Deferred Notes, including the interest that has accreted as principal, will be discharged solely by exchange for Current Notes or by the expiration of a period of forty years from their date of issuance. The Deferred Notes must be exchanged for Current Notes on an annual basis to the extent that the Authority has entered into additional long-term contracts to sell water from the System.

The accretion to the principal amount, of interest from June 3, 1987, the date of the loan, to July 31, 1990 for the Current Notes and to July 31, 1993 for the Deferred Notes is expected to be \$22,209,456. For the year ended June 30, 1987 the interest expense amounted to \$336,383 and the related interest income, net of the deferred rebate requirement described in Note 11, earned on the restricted investments amounted to \$319,791. The excess of interest expense over interest income has been charged to construction work in progress. The initial issuance costs of \$478,406 are being amortized over the applicable forty year financing period.

6. Bonds Payable—variable rate demand bonds:

On December 16, 1985, the Authority adopted a Resolution authorizing issuance of variable rate demand bonds up to \$72,000,000 to finance the construction of a 740-acre reservoir on the Manasquan River in Howell Township, Monmouth County (the Manasquan Project). Pursuant to the terms of the Indenture of Trust with Chemical Bank (Trustee), the Authority issued \$66,200,000 of the authorized bonds on December 27, 1985. On June 3, 1987, the Authority redeemed the variable rate demand bonds with the aforementioned State Loan Notes and accordingly all unamortized issuance costs were expensed.

Interest income earned on the restricted investments amounted to \$3,611,110 and \$2,487,819 and the interest expense incurred on the related bonds outstanding amounted to \$2,578,707 and \$1,679,743 in 1987 and 1986, respectively. The excess of interest income over interest expense has been offset to construction work in progress.

7. Manasquan Project Balance Sheet:

Specific financial information pertaining to the Manasquan Project is as follows at June 30, 1987 and 1986:

	Assets	
	<u>June 30, 1987</u>	<u>June 30, 1986</u>
Construction work in progress	\$ 1,657,954	\$ 221,340
Investment Agreement "A"		58,000,000
Investment Agreement "B"		7,510,331
Investment Agreement State Loan Notes proceeds	<u>60,963,748</u>	
Total Assets	<u>\$62,621,702</u>	<u>\$65,731,671</u>
	Liabilities	
Notes payable—State of N.J. net of unamortized finance costs of \$477,227 and accrued interest of \$336,383	\$63,459,156	
Bonds payable, net of unamortized issuance costs of \$492,522		\$65,707,478
Accounts payable	841,536	353,711
Accrued interest payable		263,814
Deferred rebate requirement	31,157	
Accumulated expenses	<u>(1,710,147)</u>	<u>(593,332)</u>
Total Liabilities	<u>\$62,621,702</u>	<u>\$65,731,671</u>

8. Employees Benefits:

a. Pension Costs

Employees of the Authority who are eligible for pension coverage are enrolled in the Public Employees' Retirement System established by the New Jersey State Legislature.

Benefits, contributions, funding and the manner of administration are determined by the State Legislature. The Division of Pensions within the Treasury Department of the State of New Jersey is the administrator of the funds. Annually, the Division of Pensions charges the Authority for their contribution. Total pension cost approximated \$163,000 and \$160,000 for the years ended June 30, 1987 and 1986, respectively.

b. Post-Retirement Health Care Benefits

The Authority provides continued health care benefits to employees retiring after 25 years service for themselves and eligible dependents. Benefits, contributions, funding and the manner of administration are determined by the State Legislature. The Division of Pensions within the New Jersey Treasury Department administers the funds. Monthly, the Division of Pensions charges the Authority for their contribution. Total cost for these post-retirement benefits, included in fringe benefits approximated \$6,300 for the years ended June 30, 1987 and 1986.

9. Land:

On August 24, 1985, the State of New Jersey acting by and through the Department of Environmental Protection transferred to the Authority, legal title to the Spruce Run-Round Valley Reservoir Complex at its carrying value of \$6 million.

In fiscal 1986, the Authority and the Department of Environmental Protection negotiated a ninety-nine year property lease, commencing July 1, 1986, whereby the Authority will lease certain additional real property known as the Delaware and Raritan Canal Transmission Complex. The State House Commission approved the lease on June 17, 1986. Sole consideration under the lease agreement is the benefits derived from the transfer of responsibility for operation and maintenance of the Delaware and Raritan Canal by the State of New Jersey to the Authority.

10. Major Water Customers:

The Authority supplied water to approximately twenty-five customers during fiscal years 1987 and 1986. Two customers accounted for approximately 80% of total operating revenues in both years.

11. Deferred Rebate Requirement:

The Tax Reform Act of 1986 and the Internal Revenue Code of 1986 (the "Code") set forth certain requirements which must be met related to the State Loan Notes used to redeem the Manasquan variable rate demand bonds. Specifically, the difference between the interest earned on the investment agreement entered into on June 3, 1987 (7.72%) and the interest that would have been earned based on the yield assigned to the State Loan Notes (7.00829% rounded), together with the interest earned on the difference, must be rebated to the United States Department of the Treasury (the "Treasury"). The Code requires that this rebate requirement must be calculated for each year subsequent to the issuance of the State Loan Notes and payments representing at least 90% of the cumulative rebate requirement must be made to the Treasury within thirty days of the end of every fifth year that the State Loan Notes are outstanding with the final payment constituting the balance of the rebate requirement, to be made within sixty days of the retirement of the State Loan Notes.

The rebate requirement of \$31,157 as of June 30, 1987, has been calculated in accordance with the provisions of the Code and has been properly classified as a long-term liability.

12. Commitments and Contingencies:

On September 1, 1987, the Authority entered into three contracts for the construction of the Manasquan Reservoir project totalling \$41.5 million.

New Jersey Water Supply Authority
Statement of Changes in Cash & Investments by Fund
for the period ending June 30, 1987

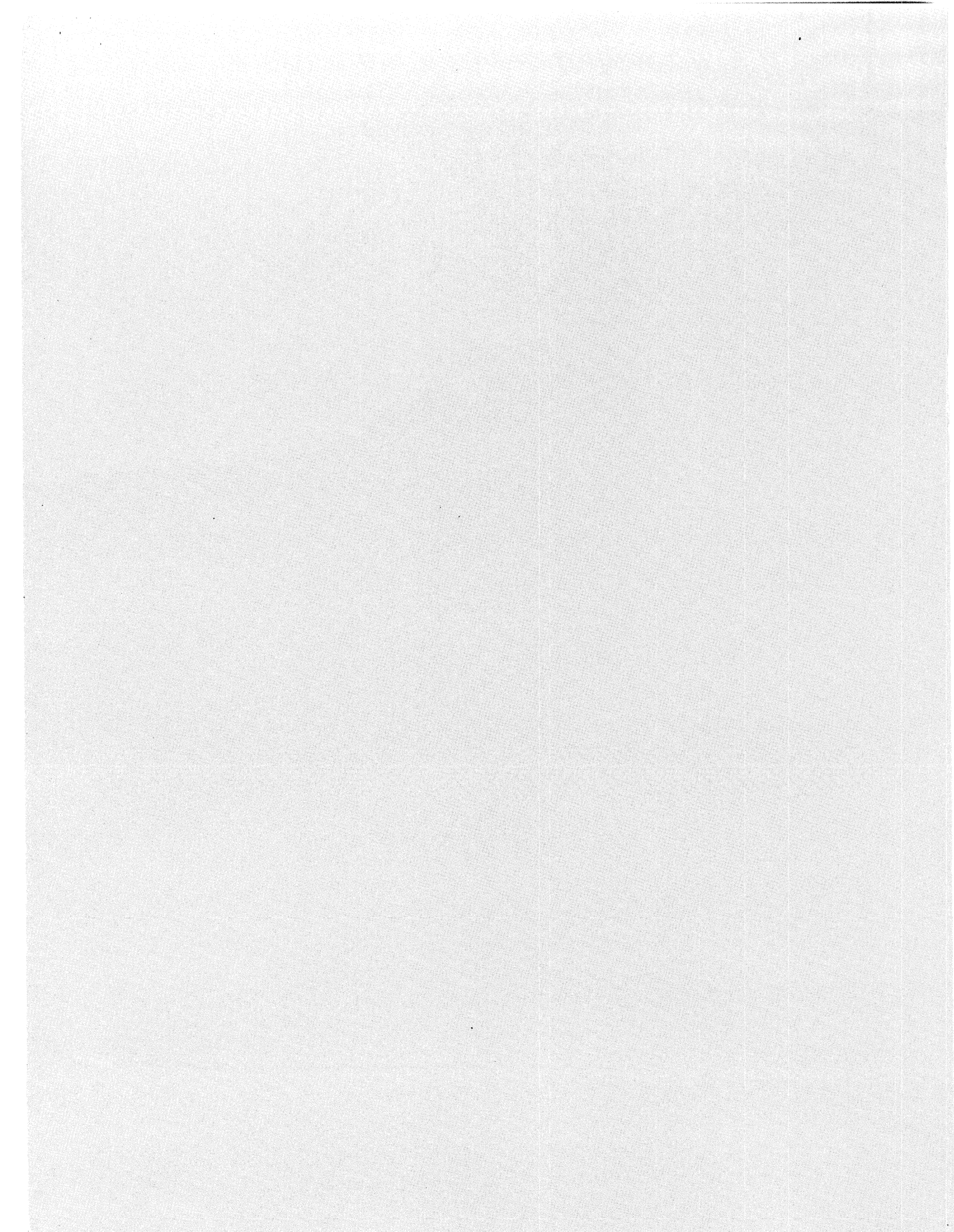
	<u>General Fund</u>	<u>Operating Fund</u>	<u>Payroll Fund</u>	<u>Rehabilit. Fund</u>	<u>Renewal & Replacement Fund</u>	<u>Pumping Fund</u>
Fund Balance—July 1, 1986	\$ 1,240,79	\$ 38,159	\$ 750	\$2,206,874	\$834,030	\$245,557
Cash Receipts:						
Water Sales	8,206,348					
Rental Income	15,692					
Interest Income	82,130	6,115		119,105	53,236	13,152
Additional Sale of VRDB Bonds						
Receipt of SNJ BOND Appropriations—						
Emergency Response Program	2,787					
Manasquan Project 76 Bonds	70,150					
Manasquan Project 81 Bonds	138,092					
Rt 1 Conduit Feasibility	2,628					
Six Mile/Ten Mile Run Culvert	989,230					
Scudders Falls	598,073					
Aqueducts	12,825					
Kingston/Griggstown	33,524					
Headgates	12,425					
Siltation Study	106,140					
Manasquan Project Fish & Game	9,344					
Manasquan Demolition	6,344					
Canal Dredging	160,538					
Lake Hopatcong P.S.	22,379					
Lake Wawavanda P.S.	46,841					
Hydroelectric Study	4,970					
Confluence Reservoir	15,598					
Hackettstown Reservoir	1,837					
Six Mile Run Reservoir	1,129					
Hazardous Waste	6,289					
Insurance Policy Reimbursement	8,421					
Disposition of Property	14,392					
Misc. Expense Reimb.	4,884	42				
Contributions to Rehabilitation Res	(362,980)			413,880		
Contributions to General Reserve	32,750					(19,345)
Contributions from General Reserve	(3,666,175)				150,000	
Transfers to Operations & Payroll	(7,030,025)	5,398,321	1,631,704			
Distribution from Reserves to Operations		3,776,043		(604,139)	(146,843)	(16,677)
Total Cash Receipts	<u>(453,420)</u>	<u>9,180,521</u>	<u>1,631,704</u>	<u>(71,154)</u>	<u>56,393</u>	<u>(22,870)</u>
Total Available Funds	<u>\$ 787,370</u>	<u>\$9,218,680</u>	<u>\$1,632,454</u>	<u>\$2,135,720</u>	<u>\$890,423</u>	<u>\$222,687</u>

<u>1958 Bonded Indebtedness Fund</u>	<u>Loan Reserve Fund</u>	<u>1981 Bonded Indebtedness Fund</u>	<u>Self- Insurance Fund</u>	<u>Canal Project TXCP Construction Fund</u>	<u>Employee Benefit Funds</u>	<u>Manasquan Project Fund</u>	<u>TOTALS</u>
\$ 17,127	\$322,938	\$ 441,568	\$ 0	\$1,585,322	\$ 57,699	\$ 65,510,331	\$ 72,501,145
							8,206,348
							15,692
17,053	19,342	44,873	2,817	37,768	9,055	3,942,122	4,346,768
						745,395,000	745,395,000
							0
							2,787
							70,150
							138,092
							2,628
							989,230
							598,073
							12,825
							33,524
							12,425
							106,140
							9,344
							6,344
							160,538
							22,379
							46,841
							4,970
							15,598
							1,837
							1,129
							6,289
							8,421
							14,392
							4,926
(32,000)	(18,900)						0
			(13,305)		(100)		0
1,292,670		1,909,598	112,883		182,622		(18,402)
							0
(1,291,000)		(1,529,804)	(2,500)		(185,080)		0
(13,277)	442	424,667	99,895	37,768	6,477	749,337,122	760,214,288
<u>\$ 3,850</u>	<u>\$323,380</u>	<u>\$ 866,235</u>	<u>\$99,895</u>	<u>\$1,623,090</u>	<u>\$ 64,196</u>	<u>\$814,847,453</u>	<u>\$832,715,433</u>

New Jersey Water Supply Authority
Statement of Changes in Cash & Investments by Fund
for the period ending June 30, 1987 (Continued)

	<u>General Fund</u>	<u>Operating Fund</u>	<u>Payroll Fund</u>	<u>Rehabilit. Fund</u>	<u>Renewal & Replacement Fund</u>	<u>Pumping Fund</u>
Total Available Funds	\$787,370	\$9,218,680	\$1,632,454	\$2,135,720	\$890,423	\$222,687
Cash Disbursements:						
Payroll		1,077,287	1,631,704			
Fringe Benefits		370,402				
Operations & Maintenance		1,607,767				
Capital Improvements:						
Capital Assets		1,138,705				
D & R Canal Dredging Program		151,521				
Manasquan Project 76 FUNDS		68,447				
Manasquan Project 81 FUNDS		46,519				
E.R.P. Louis Berger		2,787				
Six/Ten Mile Run Culvert		1,059,188				
Scudders Falls		571,235				
Kingston/Griggstown		28,634				
Rt 1 Feasibility		2,629				
Siltation study		106,215				
Aqueducts		25,250				
Manasquan Water Treatment Plant		25				
Manasquan Demolition		223				
Hydroelectric Study		4,970				
Confluence Demolition		14,700				
Hackettstown Reservoir		810				
Lake Hopatcong P.S.		15,800				
Lake Wawayanda P.S.		46,532				
Principal on 1958 Bonds		1,219,782				
Interest on 1958 Bonds		71,218				
Principal on 1981 Bonds		100,000				
Interest on 1981 Bonds		1,429,804				
Interest on Notes/VRDB Bonds						
Retirement of VRDB Bonds						
Issuance Expenses						
Retirement of VRDB Bonds—State of NJ						
Retirement of VRDB Bonds—Inv. of NJ						
Miscellaneous Disbursements		18,765				
Total Cash Disbursements	<u>0</u>	<u>9,179,215</u>	<u>1,631,704</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance—June 30, 1987	<u>\$787,370</u>	<u>\$ 39,465</u>	<u>\$ 750</u>	<u>\$2,135,720</u>	<u>\$890,423</u>	<u>\$222,687</u>
<u>Summary of Funds:</u>						
Cash		\$ 39,465	\$ 750			
Short-Term Investments	\$787,370			\$2,135,720	\$890,423	\$222,687
Restricted Investments (D&R Canal)						
Restricted Investments (Man. Project)						
TOTAL FUNDS	<u>\$787,370</u>	<u>\$ 39,465</u>	<u>\$ 750</u>	<u>\$2,135,720</u>	<u>\$890,423</u>	<u>\$222,687</u>

<u>1958 Bonded Indebtedness Fund</u>	<u>Loan Reserve Fund</u>	<u>1981 Bonded Indebtedness Fund</u>	<u>Self- Insurance Fund</u>	<u>Canal Project TXCP Construction Fund</u>	<u>Employee Benefit Funds</u>	<u>Manasquan Project Fund</u>	<u>TOTALS</u>
\$3,850	\$323,380	\$866,235	\$99,895	\$1,623,090	\$64,196	\$814,847,453	\$832,715,433
							2,708,991
							370,402
							1,607,767
				1,588,931		2,473,082	4,062,013
							1,138,705
							151,521
							68,447
							46,519
							2,787
							1,059,188
							571,235
							28,634
							2,629
							106,215
							25,250
							25
							223
							4,970
							14,700
							810
							15,800
							46,532
							1,219,782
							71,218
							100,000
							1,429,804
						2,797,854	2,797,854
						681,795,000	681,795,000
						617,769	617,769
						63,600,000	63,600,000
						2,600,000	2,600,000
							18,765
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,588,931</u>	<u>0</u>	<u>753,883,705</u>	<u>766,283,555</u>
<u>\$3,850</u>	<u>\$323,380</u>	<u>\$866,235</u>	<u>\$99,895</u>	<u>\$ 34,159</u>	<u>\$64,196</u>	<u>\$ 60,963,748</u>	<u>\$ 66,431,878</u>
							\$40,215
\$3,850	\$323,380	\$866,235	\$99,895		\$64,196		\$ 5,393,756
				\$ 34,159			\$34,159
						\$ 60,963,748	\$ 60,963,748
<u>\$3,850</u>	<u>\$323,380</u>	<u>\$866,235</u>	<u>\$99,895</u>	<u>\$ 34,159</u>	<u>\$64,196</u>	<u>\$ 60,963,749</u>	<u>\$ 66,431,878</u>



New Jersey Water Supply Authority
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