

INTERDEPARTMENTAL ACCOUNTS OVERVIEW

Mission and Goals

The Interdepartmental Accounts provide funds for the cost of certain services that are administered centrally on behalf of all agencies of State government. The budget for Statewide Capital is discussed in the Capital and Debt Service section.

Budget Highlights

The Fiscal 2011 Budget for all Interdepartmental Accounts totals \$3.327 billion, an increase of \$314.1 million or 10.4% over the fiscal 2010 adjusted appropriation of \$3.013 billion. This reflects the impact on centrally budgeted amounts for salary and fringe costs of savings related to employee actions, such as attrition and targeted staffing reductions, and a difficult, but necessary, choice to temporarily eliminate pension funding for the defined benefit pension plans. It also assumes \$50 million in savings from privatization initiatives. (The specific highlights are outlined in their respective sections below.)

Salary Increases

The State of New Jersey currently employs approximately 74,600 full-time workers. As of January 2010, unions represented 68,200 full-time State employees, or approximately 91% of the total workforce.

In fiscal 2011, \$133.8 million is recommended for Salary Increases and Other Benefits, to cover fiscal 2011 employee increments and across-the-board raises for all eligible employees. This amount is net of \$50 million in anticipated savings from privatization initiatives and it provides no additional funding for employee salary increases at senior public higher education institutions.

This section of the Budget provides \$10.5 million for payment of unused accumulated sick leave in accordance with N.J.A.C. 4A:6-3.1 et seq. Employees are permitted to accumulate earned sick days. Upon retirement, retirees are paid for any unused sick days, at 50% of the normal pay rate, up to a maximum amount of \$15,000.

Employee Contract Status

The contract for unions representing approximately 65% of State employees, including CWA (Communications Workers of America), AFSCME (American Federation of State, County, and Municipal Employees), and IFPTE (International Federation of Professional and Technical Engineers) provides a 3.5% cost-of-living (COLA) increase effective July 2010. These employees will also receive a 3.5% cost-of-living increase effective January 2011 based on a Memorandum of Agreement that deferred this increase for 18 months.

The State has finalized agreements with most unions representing corrections and non-corrections law enforcement officers and with unions representing State law enforcement officers. The State completed interest arbitration proceedings with corrections and non-correction officers (about 6,800 employees) and an award was issued providing a 2% increase effective July 2010 and a 2% increase effective January 2011. The contract for State law enforcement officers (about 210 employees) provides a 3.75% increase effective July 2010. Negotiations continue with the remaining unions representing about 400 corrections and non-corrections law enforcement officers as well as with unions representing about 3,000 State Police employees.

The contract for unions that represent Judicial employees--CWA, Judiciary Council of Affiliated Unions (JCAU), and Probation Association of New Jersey (PANJ)--provides a 3.5% increase effective July 2010. Most employees are scheduled to receive progression payments of 4.0% on or about January 1, 2011. Employees will also receive a 3.5% deferred cost-of-living increase

effective January 2011. Funding for \$39 million of these increases will be supported through efficiencies in the Judiciary.

Employee Fringe Benefits

For fiscal 2011, a total cost of \$1.804 billion is budgeted to provide fringe benefits to employees of State government, an increase of \$205.7 million, or 12.9% compared to fiscal 2010. The fiscal 2011 recommendation for higher education's senior public institutions is \$869.7 million, an increase of \$53.7 million, or 6.6% compared to fiscal 2010. The recommendation includes a \$100 million savings from eliminating pension contributions for the defined benefit plans and is net of various statewide savings initiatives including savings from anticipated attrition, from staffing reductions associated with the elimination of certain programs and functions, the elimination of funding for health benefits for part-time board members, and savings from reducing the cap on employer contributions to the Alternate Benefit Plan so that contributions for higher education employees are based on salaries capped at the Cabinet salary level.

Employee Retirement

All State employees, and most employees of counties, municipalities, and school districts, are members of one of the seven State retirement systems: Public Employees' Retirement System (PERS), Teachers' Pension and Annuity Fund (TPAF), Police and Firemen's Retirement System (PFRS), Consolidated Police and Firemen's Pension Fund, State Police Retirement System (SPRS), Judicial Retirement System (JRS), and Prison Officer's Pension Fund. New Jersey law provides that all defined benefit pension plans are subject to actuarial valuation every year and actuarial experience studies every three years.

The Fiscal 2011 Budget provides funding only for the State's defined contribution pension plans, post retirement medical costs and life insurance benefits. The recommended amount for State and higher education pension and retiree expenses in the Fiscal 2011 Budget totals \$622.2 million, including \$419.2 million for post retirement medical costs. The recommended appropriation for debt service payments on the pension obligation bonds for State and higher education employees is \$103.9 million in fiscal 2011.

Employee Health Benefits

The projected cost for health benefits, including medical, prescription drug, dental, and vision, for State and higher education employees in fiscal 2011 is \$1.288 billion, a \$157 million increase in comparison to fiscal 2010. The need includes restoration of one-time savings from the fiscal 2010 statewide savings initiatives. The fiscal 2011 growth for health benefits is offset by continuing savings from a dependent verification audit, the new pharmacy benefit manager contract effective January 2010, and other employee related actions.

Employer Payroll Taxes

The fiscal 2011 recommendation of \$659.6 million for employer payroll taxes represents an increase of \$73.6 million over fiscal 2010. The recommendation includes \$589.9 million of employer Social Security tax, \$18.4 million for Temporary Disability Insurance (TDI), and \$51.3 million for Unemployment Insurance (UI) liability. The recommendation includes restoration of one-time Social Security tax savings associated with the fiscal 2010 furloughs and reflects an increased unemployment insurance need. The increase in UI is due to the projected costs of the Extended Benefits (EB) Program.

Other Interdepartmental Accounts

Funding for Other Interdepartmental Accounts in the Fiscal 2011 Budget totals \$17.5 million. This is a \$10 million reduction from fiscal 2010. The reduction of \$10 million is in interest on short term notes.

Aid to Independent Authorities

The Fiscal 2011 Budget recommends \$90.6 million for Aid to

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Independent Authorities, a decrease of \$59.4 million, or 40% less than the fiscal 2010 adjusted appropriation of \$150 million. This supports the New Jersey Sports and Exposition Authority (NJSEA), Business Employment Incentive Program debt service, New Jersey Performing Arts Center debt service, Municipal Rehabilitation and Economic Recovery debt service, and other authorities' debt service costs. The amount recommended for NJSEA debt service costs assumes \$47 million in anticipated debt restructuring savings.

Property Rentals

Funding for Property Rentals in the Fiscal 2011 Budget totals \$149.8 million, an increase of \$2.6 million from the previous year. The Property Rentals account supports existing and anticipated leases of offices and other facilities used by State agencies, payments for debt service leases and payments in lieu of property taxes on facilities occupied by State agencies, and debt service payments for fire sprinkler systems, office furnishings, and Ancora Psychiatric Hospital life safety improvements. This account also makes debt service payments associated with the State's lease-purchase of facilities acquired or built by the Economic Development Authority. In fiscal 2011, a number of leases will be terminated or renegotiated. These savings are attributable to the elimination of vacant space that has occurred as a result of workforce attrition.

Insurance and Other Services

The Insurance and Other Services account includes insurance premiums for property, casualty, and special insurance policies for coverage against loss to State-owned real property, boilers and other machinery, and fine art objects owned by the State. This account also provides self-insurance funds for various claims against the State, including tort claims for personal injury or property damage, workers' compensation for State employees, vehicle liability claims for property damage and injury resulting from the operation of State vehicles, and claims arising from the Foster Parents Program and the UMDNJ Self-Insurance Reserve Fund. Funding for Insurance and Other Services in the Fiscal 2011 Budget totals \$107.9 million, a decrease of \$10.5 million from the previous year, primarily due to a reduction in funding for the UMDNJ Self-Insurance Reserve Fund.

Utilities and Other Services

The Utilities and Other Services account provides funding for the heating, electrical, security, and janitorial needs of various State-owned buildings, primarily in the Capitol Complex, that house the State workforce. Funding of \$9 million for Utilities and Other Services in the Fiscal 2011 Budget is \$16.6 million less than the previous year's adjusted appropriation of \$25.6 million.

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SUMMARY OF APPROPRIATIONS BY FUND

(thousands of dollars)

Year Ending June 30, 2009					Year Ending June 30, 2011		
Orig. & (S) Supplemental	Reapp. & (R) Recpts.	Transfers & (E) Emergencies	Total Available	Expended	2010 Adjusted Approp.	Requested	Recommended
GENERAL FUND							
2,160,110	90,041	10,692	2,260,843	1,850,072	1,927,654	2,232,647	2,232,647
951,046	950	-38,436	913,560	897,814	966,032	960,259	960,259
209,400	68,907	10,797	289,104	221,701	119,579	134,429	134,429
3,320,556	159,898	-16,947	3,463,507	2,969,587	3,013,265	3,327,335	3,327,335
3,320,556	159,898	-16,947	3,463,507	2,969,587	3,013,265	3,327,335	3,327,335
Total Appropriation, Interdepartmental Accounts					3,013,265	3,327,335	3,327,335

SUMMARY OF APPROPRIATIONS BY PROGRAM

(thousands of dollars)

Year Ending June 30, 2009					Year Ending June 30, 2011		
Orig. & (S) Supplemental	Reapp. & (R) Recpts.	Transfers & (E) Emergencies	Total Available	Expended	2010 Adjusted Approp.	Requested	Recommended
DIRECT STATE SERVICES - GENERAL FUND							
General Government Services							
150,477	6,224	24,422	181,123	177,858	147,182	149,791	149,791
110,907	1,724	4,000	116,631	106,657	118,460	107,911	107,911
1,733,031	1,225	-24,485	1,709,771	1,480,898	1,598,465	1,804,209	1,804,209
4,757	1,962	21,788	28,507	24,621	27,475	17,475	17,475
95,108	77,904	7,209	180,221	18,856	10,500	144,308	144,308
65,830	1,002	-22,242	44,590	41,182	25,572	8,953	8,953
2,160,110	90,041	10,692	2,260,843	1,850,072	1,927,654	2,232,647	2,232,647
2,160,110	90,041	10,692	2,260,843	1,850,072	1,927,654	2,232,647	2,232,647
Total Direct State Services - General Fund					1,927,654	2,232,647	2,232,647
TOTAL DIRECT STATE SERVICES					1,927,654	2,232,647	2,232,647

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Year Ending June 30, 2009					Year Ending June 30, 2011			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2010 Adjusted Approp.	Requested	Recom- mended
					GRANTS-IN-AID - GENERAL FUND			
					General Government Services			
768,514	704	49	769,267	762,281		816,023	869,702	869,702
---	246	---	246	3		---	---	---
38,485	---	-38,485	---	---		---	---	---
144,047	---	---	144,047	135,530		150,009	90,557	90,557
<u>951,046</u>	<u>950</u>	<u>-38,436</u>	<u>913,560</u>	<u>897,814</u>	<i>Subtotal</i>	<u>966,032</u>	<u>960,259</u>	<u>960,259</u>
<u>951,046</u>	<u>950</u>	<u>-38,436</u>	<u>913,560</u>	<u>897,814</u>	<i>Total Grants-In-Aid - General Fund</i>	<u>966,032</u>	<u>960,259</u>	<u>960,259</u>
<u>951,046</u>	<u>950</u>	<u>-38,436</u>	<u>913,560</u>	<u>897,814</u>	TOTAL GRANTS-IN-AID	<u>966,032</u>	<u>960,259</u>	<u>960,259</u>
					CAPITAL CONSTRUCTION			
					General Government Services			
209,400	68,907	10,797	289,104	221,701		119,579	134,429	134,429
<u>209,400</u>	<u>68,907</u>	<u>10,797</u>	<u>289,104</u>	<u>221,701</u>	<i>Subtotal</i>	<u>119,579</u>	<u>134,429</u>	<u>134,429</u>
<u>209,400</u>	<u>68,907</u>	<u>10,797</u>	<u>289,104</u>	<u>221,701</u>	TOTAL CAPITAL CONSTRUCTION	<u>119,579</u>	<u>134,429</u>	<u>134,429</u>
<u>3,320,556</u>	<u>159,898</u>	<u>-16,947</u>	<u>3,463,507</u>	<u>2,969,587</u>	<i>Total Appropriation, Interdepartmental Accounts</i>	<u>3,013,265</u>	<u>3,327,335</u>	<u>3,327,335</u>

70. GOVERNMENT DIRECTION, MANAGEMENT, AND CONTROL

74. GENERAL GOVERNMENT SERVICES

OBJECTIVES

1. To provide pooled funds for the costs of certain services which are managed centrally for or on behalf of all agencies of State government.
2. To provide pooled contingency reserve funds to cover certain emergency situations and probable cost increases for various utilities and common services which cannot be predicted with reasonable certainty.
3. To provide pooled funds for salary adjustments and other salary and compensation benefits for State employees.

PROGRAM CLASSIFICATIONS

01. **Property Rentals.** Provides for payment by the Department of the Treasury of rents for office space and other premises for State agencies, whose operations are financed from General Fund appropriations. This account also functions as a clearing account for payment of rents for agencies financed from other than General Fund sources, which amounts are shown as a deduction from the gross rent recommendation.
02. **Insurance and Other Services.** Provides funds to pay all central insurance premium costs and to cover the State's tort liability and its statutory duty to indemnify its employees for adverse judgments in all instances where the State is self-insured. This account also provides the self-insurance funds to pay losses which fall within the deductible areas of property insurance coverage and other insurance claims.
03. **Employee Benefits.** Provides funds for the following classes of employees: (1) Heath Act pensioners (R.S. 43:5-1 et seq.), consisting of persons employed by the State as of January, 1921; (2) Veterans' Act pensioners (R.S. 43:4-1 et seq.); (3)

Annuity for Widows of Governors (R.S. 43:8-2); (4) Appointed and elected officials enrolled in the Defined Contribution Retirement Program (R.S. 43:15C-1 et seq.); (5) Survivors of local volunteer emergency workers (R.S. 43:12-28.1 et seq.); (6) Judicial pensioners (C.43:6-6.4 et seq.); (7) Public Employees (C.43:15A-1 et seq.), whose funds are administered by a board of nine trustees, including municipal and county representation, two appointees of the Governor, and the State Treasurer; (8) State Police (C.53:5A-1 et seq.), whose funds are administered by a board of five trustees including two active members of the system, two appointees of the Governor, and the State Treasurer, ex officio; (9) State and local members of the Police and Firemen's Retirement System (C.43:16A-1 et seq.), whose funds are administered by a board of eleven trustees, including four active members, one retired member, five appointees of the Governor, and one representative from the State Treasurer's Office; (10) and the pension and non-contributory group life insurance payments to be made by the State on behalf of those members of the Teachers' Pension and Annuity Fund, not employees of school districts, employed by the State Department of Education, and by the public institutions of higher education in the State. Funds are also provided for the payments for non-contributory group life insurance covering employees of the State and other participating employers in the retirement system (C.43:15A-1 et seq.); the State's share of Social Security Tax (C.43:22-1 et seq.); Pension Adjustment Act (C.3:3B-1 et seq.) providing increases in benefits payable to members of State retirement systems; and the employer's share of health benefits charges for State active and retired employees enrolled in the State

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Health Benefits Program. Under C.52:14-17.25 et seq., the administration of this program was transferred to the Division of Pensions and Benefits.

The Alternate Benefit Program was established (N.J.S. 18A:64C-11.1, N.J.S. 18A:65-74 and C.18A:66-130) for faculty and staff members at the University of Medicine and Dentistry of New Jersey; Rutgers, The State University; the New Jersey Institute of Technology; the State colleges and universities; and certain professional administrative staff employed by the State. The employer contribution to this retirement program is included in this budget.

The State Employee Health Benefits Program (C.52:14-17.25 et seq.) provides health insurance for active and retired employees and their dependents, including active and retired employees of the State colleges and universities, through a preferred provider organization or health maintenance organization. Most full time State employees are required to contribute 1.5% of their salary as a health contribution for coverage in the Program. State employees who retire with 25 years of service or on a disability retirement are eligible for State-paid post-retirement medical benefits. Retired employees are required to contribute towards the cost of their health insurance coverage based on the terms of the labor agreement in effect at the time they attained 25 years of service credit or retired on disability.

The Division of Pensions and Benefits coordinates the funding for payment of temporary disability insurance benefits to State employees (C.43:21-46). Temporary cash benefits are provided to eligible State employees covered under Federal law to insure against loss of earnings due to non-occupational sickness or accident.

All individuals in the employ of the State of New Jersey or an instrumentality of the State, with respect to service performed after December 31, 1971 for a hospital or institution of higher education, are covered under the Unemployment Compensation Law (R.S. 43:21-1 et seq., as amended by P.L.1971, c. 346). Any political subdivision of the State may elect to cover individuals employed by the subdivision in all of the hospitals and institutions of higher education operated by that political subdivision. Benefits paid based on wages earned in the employ of the State or of a political subdivision are financed by payments in lieu of employer contributions to the Unemployment Compensation Fund. In accordance with the Federal-State Extended Benefits Compensation Act of 1970 and the New Jersey Extended Benefits Law (N.J.A.C. 43:21-24.11), an Extended Benefits (EB) program was activated in New Jersey effective March 15, 2009. The State is currently funding up to 20 weeks of extended benefits for employees who have exhausted their regular and federally funded unemployment benefits. All covered State employees

are required to contribute each year to the Fund in accordance with the established rate. Benefits under the unemployment compensation program are payable in accordance with the provisions of the Unemployment Compensation Law.

The New Jersey State Prescription Drug Program (C.52:14-17.29) helps meet the cost of drugs prescribed for eligible active and retired employees and their dependents for use outside of hospitals, nursing homes or other institutions. Included are those drugs which, as required by Federal law, can be dispensed only upon a written prescription order by a physician. The program covers the full cost of a prescription drug dispensed by a licensed participating retail pharmacy or mail order service, less a co-payment charge for each eligible prescription and prescription refill. The co-payment charge is dependent upon whether the employee chooses a prescription which is generic, brand-named, or a brand-named drug with a generic equivalent. Most full time State employees are required to contribute 1.5% of their salary as a health contribution for coverage in the Program.

04. **Other Interdepartmental Accounts.** Provides funds for allotment by the Director of the Division of Budget and Accounting to various departments or agencies of State government for meeting emergency conditions, and for a number of other contingencies which cannot be predicted with sufficient certainty to be included within the budget recommendations of individual departments or agencies. Included are the Governor's Emergency Fund, the premium portion of required payments for short term notes, seed money to implement cost saving processes, and other productivity improvements as appropriate.
05. **Salary Increases and Other Benefits.** Includes funds to be allotted to the various State departments or agencies for the cost of general and special salary adjustments and unused accumulated sick leave.
06. **Utilities and Other Services.** Provides for payment of fuel, utilities, janitorial services, and trash removal for State-owned and lease-purchase facilities primarily in the Capitol district, as well as some fuel and utility costs for State departments.
08. **Capital Projects - Statewide.** Provides for statewide programs and capital projects administered by the Department of Treasury on behalf of state agencies. Statewide programs include the removal of underground storage tanks, hazardous material removal and Americans with Disabilities Act compliance. Also, included is funding for the purchase of open space through the Garden State Preservation Trust Fund.
09. **Aid to Independent Authorities.** Provides for payments to independent authorities for operating expenses and construction costs of cultural and sports-related facilities and for the location and development of businesses in New Jersey.

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APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2009					Year Ending June 30, 2011				
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	Prog. Class.	2010 Adjusted Approp.	Requested	Recommended	
<u>DIRECT STATE SERVICES</u>									
Distribution by Fund and Organization									
246,509	6,224	24,422	277,155	273,890		255,086	254,547	254,547	
110,907	1,724	4,000	116,631	106,657		118,460	107,911	107,911	
65,830	1,002	-22,242	44,590	41,182		25,572	8,953	8,953	
Distribution by Fund and Program									
246,509	6,224	24,422	277,155	273,890	01	255,086	254,547	254,547	
110,907	1,724	4,000	116,631	106,657	02	118,460	107,911	107,911	
65,830	1,002	-22,242	44,590	41,182	06	25,572	8,953	8,953	
423,246	8,950	6,180	438,376	421,729		399,118	371,411	371,411	
Total Direct State Services									
Less:									
(96,032)	---	---	(96,032)	(96,032)					
(96,032)	---	---	(96,032)	(96,032)		(107,904)	(104,756)	(104,756)	
Total Deductions									
327,214	8,950	6,180	342,344	325,697		291,214	266,655	266,655	
Total State Appropriation									
Distribution by Fund and Object									
Property Rentals									
189,860	6,224	24,422	220,506	218,076	01	186,336			
						22,000 ^S	201,645	201,645	
17,114	---	---	17,114	16,695	01	7,156	17,199	17,199	
33,679	---	---	33,679	33,679	01	34,382	33,498	33,498	
Subtotal Appropriation (Gross)									
240,653	6,224	24,422	271,299	268,450		249,874	252,342	252,342	
Less:									
(96,032)	---	---	(96,032)	(96,032)		(107,904)	(104,756)	(104,756)	
Total Deductions									
144,621	6,224	24,422	175,267	172,418		141,970	147,586	147,586	
Subtotal Appropriation (Net)									
5,856	---	---	5,856	5,440					
						5,212	2,205	2,205	
Insurance and Other Services									
15,000	---	505	15,505	15,505	02	15,000			
						4,000 ^S	15,000	15,000	
67,700	907	4,920	73,527	73,398	02	63,700			
						8,400 ^S	73,700	73,700	
3,796	---	-571	3,225	3,225	02	3,195	3,413	3,413	
1,010	---	-454	556	556	02	760	423	423	
276	---	-20	256	246	02	280	250	250	
18,000	---	---	18,000	9,000	02	18,000	10,000	10,000	
3,500	---	500	4,000	4,000	02	3,500	3,500	3,500	
1,500	817	-1,000	1,317	483	02	1,500	1,500	1,500	
125	---	120	245	244	02	125	125	125	
Utilities and Other Services									
---	---	---	---	---	06	---	3,498	3,498	
Public Health, Environmental and Agricultural Laboratory									

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Year Ending June 30, 2009					Year Ending June 30, 2011				
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	Prog. Class.	2010 Adjusted Approp.	Requested	Recommended	
<u>DIRECT STATE SERVICES</u>									
59,387	315 608 ^R	-22,242	38,068	35,458	06	20,287	510	510	
6,443	65 14 ^R	---	6,522	5,724	06	5,285	4,945	4,945	
<u>GRANTS-IN-AID</u>									
Distribution by Fund and Program									
144,047	---	---	144,047	135,530	09	150,009	90,557	90,557	
144,047	---	---	144,047	135,530		150,009	90,557	90,557	
Distribution by Fund and Object									
Grants:									
5,558	---	---	5,558	5,542	09	5,560	1,250	1,250	
41,037	---	---	41,037	38,060	09	33,740	33,596	33,596	
7,017	---	---	7,017	6,978	09	6,901	6,892	6,892	
14,126	---	---	14,126	14,111	09	14,128	14,130	14,130	
625	---	---	625	625	09	625	---	---	
7,591	---	---	7,591	7,576	09	6,826	5,995	5,995	
45,040	---	---	45,040	39,585	09	37,602 21,574 ^S	5,641	5,641	
15,440	---	---	15,440	15,440	09	15,440	15,440	15,440	
2,818	---	---	2,818	2,818	09	2,818	2,818	2,818	
4,795	---	---	4,795	4,795	09	4,795	4,795	4,795	
<u>CAPITAL CONSTRUCTION</u>									
Distribution by Fund and Program									
209,400	68,907	10,797	289,104	221,701	08	119,579	134,429	134,429	
209,400	68,907	10,797	289,104	221,701		119,579	134,429	134,429	
Distribution by Fund and Object									
Statewide Capital Projects									
---	1,351	---	1,351	386	08	---	---	---	
---	35,622	1,500	37,122	15,987	08	---	---	---	
---	406	---	406	---	08	---	---	---	
---	177	---	177	73	08	---	---	---	
---	6,994	8,250	15,244	2,472	08	---	---	---	
---	1,293	---	1,293	261	08	---	---	---	
---	594	---	594	---	08	---	---	---	
---	3,900	---	3,900	929	08	---	---	---	
---	217	---	217	179	08	---	---	---	
---	2,821	---	2,821	551	08	---	---	---	
---	45	---	45	16	08	---	---	---	

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Year Ending June 30, 2009					Year Ending June 30, 2011				
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		2010 Prog. Class.	Adjusted Approp.	Requested	Recommended
CAPITAL CONSTRUCTION									
New Jersey Building Authority									
Debt Service - General State Projects									
32,991	---	---	32,991	32,392	Southwoods State Prison	08	---	---	---
21,519	---	---	21,519	21,128	State House Renovations	08	---	---	---
15,051	---	---	15,051	11,838	Hughes Justice Complex	08	---	---	---
21,948 76 ^S	62	---	22,086	25,414	General State Projects	08	11,579	26,429	26,429
<i>Counter Terrorism Projects</i>									
<i>State Police Multipurpose Building/Troop "C" Headquarters</i>									
8,262	---	---	8,262	8,116	State Police Emergency Operations Center	08	---	---	---
1,553	---	---	1,553	1,525	Renovation Projects, Existing and Anticipated Leases	08	---	---	---
---	85	---	85	85	Complex-wide Security System Design	08	---	---	---
---	61	---	61	33	Audiovisual Equipment Replacement, Thomas Edison State College	08	---	---	---
---	235	---	235	94	Statehouse Security Modifications	08	---	---	---
---	163	---	163	29	Planetarium Dome Sealant and Painting	08	---	---	---
---	51	---	51	13	9/11 Memorial	08	---	---	---
---	---	---	---	---	Water Infiltration	08	---	---	---
---	285	---	285	---	Energy Efficiency - Statewide Projects	08	10,000	10,000	10,000
10,000	9,670	---	19,670	1,133					
Enterprise Initiatives									
---	1,281	---	1,281	---	Network Infrastructure	08	---	---	---
Open Space Preservation Program									
98,000	1,819	1,047	100,866	99,047	Garden State Preservation Trust Fund Account	08	98,000	98,000	98,000
680,661	77,857	16,977	775,495	682,928	Grand Total State Appropriation				
							560,802	491,641	491,641
OTHER RELATED APPROPRIATIONS									
Federal Funds									
---	1,618	---	1,618	1,618	Utilities and Other Services	06	---	---	---
---	1,618	---	1,618	1,618	Total Federal Funds				
							---	---	---
All Other Funds									
---	---	---	---	---	Utilities and Other Services	06	1,418	1,473	1,473
---	6,895	---	6,895	747	Capital Projects - Statewide	08	---	---	---
---	6,895	---	6,895	747	Total All Other Funds				
680,661	86,370	16,977	784,008	685,293	GRAND TOTAL ALL FUNDS				
							562,220	493,114	493,114

Notes -- Capital Construction

(a) The budget recommends \$14,012,000 be made available for Statewide Fire, Life Safety and Renovation Projects from non-State funding sources.

Language Recommendations -- Direct State Services - General Fund

The Director of the Division of Budget and Accounting is empowered to allocate to any State agency occupying space in any State-owned building equitable charges for the rental of such space to include, but not be limited to, the costs of operation and maintenance thereof, and the amounts so charged shall be credited to the General Fund; and, to the extent that such charges exceed the amounts appropriated for such purposes to any agency financed from any fund other than the General Fund, the required additional appropriation shall be made out of such other fund.

INTERDEPARTMENTAL ACCOUNTS

- Receipts derived from direct charges and charges to non-State fund sources are appropriated for the rental of property, including the costs of operation and maintenance of such properties.
- Notwithstanding the provisions of any law or regulation to the contrary, and except for leases negotiated by the Division of Property Management and Construction and subject to the approval or disapproval by the State Leasing and Space Utilization Committee pursuant to P.L.1992, c.130 (C.52:18A-191.1 et al.), and except as hereinafter provided, no lease for the rental of any office or building, except for legislative district offices, shall be executed without the prior written consent of the State Treasurer and the Director of the Division of Budget and Accounting. Legislative district office leases may be executed by personnel in the Office of Legislative Services so directed by the Executive Director, provided the lease complies with the Joint Rules Governing Legislative District Offices adopted by the presiding officers. Leases which do not comply with the Joint Rules Governing Legislative District Offices may be executed by personnel in the Office of Legislative District Services so directed by the Executive Director with the prior written consent of the President of the Senate and the Speaker of the General Assembly.
- To the extent that sums appropriated for property rental payments are insufficient, there are appropriated such additional sums, not to exceed \$3,000,000 as may be required to pay property rental obligations, subject to the approval of the Director of the Division of Budget and Accounting.
- An amount not to exceed \$2,500,000 shall be appropriated for the costs of security, maintenance, utilities and other operating expenses related to the closure of State-owned buildings, subject to the approval of the Director of the Division of Budget and Accounting.
- Notwithstanding the provisions of any law or regulation to the contrary, the Division of Property Management and Construction is empowered to renegotiate lease terms, provided that such renegotiations result in cost savings to the State for the current fiscal year and for the term of the lease. Any lease amendments made as a result of these renegotiations are subject to the review and approval of the State Leasing and Space Utilization Committee. Receipts from such renegotiations are appropriated to the Property Rentals account to offset the cost of leases, subject to the approval of the Director of the Division of Budget and Accounting.
- There are appropriated such additional sums as may be required to pay for office renovations associated with the consolidation of office space, subject to the approval of the Director of the Division of Budget and Accounting.
- There are appropriated such additional sums as may be required to pay debt service costs for the Greystone Park Psychiatric Hospital Project, subject to the approval of the Director of the Division of Budget and Accounting.
- In addition to the amount hereinabove appropriated for Property Rentals, there is appropriated to the Property Rentals program \$5,638,000 from the Motor Vehicle Commission for property rental charges.
- Notwithstanding the provisions of any law or regulation to the contrary, the Director of the Division of Budget and Accounting shall transfer from departmental accounts and credit to the Property Rentals account such sums as necessary to reflect savings from a recall of State vehicles. This additional sum is appropriated for Property Rentals.
- Notwithstanding the provisions of any law or regulation to the contrary, the Director of the Division of Budget and Accounting shall transfer from departmental accounts and credit to the Property Rentals account such sums as necessary to reflect savings from the reallocation of State Police guards within State-owned and leased facilities. This additional sum is appropriated for Property Rentals.
- The unexpended balance at the end of the preceding fiscal year in the Master Lease Program Fund is appropriated for the same purpose.
- In order to permit flexibility, amounts may be transferred between various items of appropriation within the Insurance and Other Services program classification, subject to the approval of the Director of the Division of Budget and Accounting. Notice thereof shall be provided to the Legislative Budget and Finance Officer on the effective date of the approved transfer.
- There are appropriated such additional sums as may be required to pay tort claims under N.J.S.59:12-1, as recommended by the Attorney General and as the Director of the Division of Budget and Accounting shall determine.
- The funds appropriated to the Tort Claims Liability Fund are available for the payment of claims of a tortious nature, for the indemnification of pool attorneys engaged by the Public Defender for the defense of indigents, for the indemnification of designated pathologists engaged by the State Medical Examiner, and for direct costs of legal, administrative and medical services related to the investigation, mitigation and litigation of tort claims under N.J.S.59:12-1, as recommended by the Attorney General and as the Director of the Division of Budget and Accounting shall determine.
- Notwithstanding the provisions of any law or regulation to the contrary, claims paid from the Tort Claims Liability Fund on behalf of entities funded, in whole or in part, from non-State funds, may be reimbursed from such non-State fund sources as determined by the Director of the Division of Budget and Accounting.
- There are appropriated such additional sums as may be required to pay claims not payable from the Tort Claims Liability Fund or payable under the New Jersey Contractual Liability Act, as recommended by the Attorney General and as the Director of the Division of Budget and Accounting shall determine. The funds appropriated are available for the payment of direct costs of legal, administrative and medical services related to the investigation, mitigation and litigation of claims not payable from the Tort Claims Liability Fund or payable under the New Jersey Contractual Liability Act, as recommended by the Attorney General and as the Director of the Division of Budget and Accounting shall determine. Notwithstanding the provisions of any law or regulation to the contrary, claims or costs paid from the monies appropriated under this paragraph on behalf of entities funded, in whole or in part from non-State funds, may be reimbursed from such non-State funds sources as determined by the Director of the Division of Budget and Accounting. Appropriations under this paragraph shall not be available to pay punitive damages and shall not be deemed a waiver of any immunity by the State.
- To the extent that sums appropriated to pay Workers' Compensation claims under R.S.34:15-1 et seq., are insufficient, there are appropriated such additional sums as may be required to pay Workers' Compensation claims, subject to the approval of the Director of the Division of Budget and Accounting.
- The amount hereinabove appropriated for the Workers' Compensation Self-Insurance Fund under R.S.34:15-1 et seq. is available for the payment of direct costs of legal, investigative, administrative and medical services related to the investigation, mitigation, litigation and administration of claims against the fund, subject to the approval of the Director of the Division of Budget and Accounting.

INTERDEPARTMENTAL ACCOUNTS

Notwithstanding the provisions of any law or regulation to the contrary, benefits provided to community work experience participants shall be borne by the Work First New Jersey program funded through the Department of Human Services and any costs related to administration, mitigation, litigation and investigation of claims will be reimbursed to the Division of Risk Management within the Department of the Treasury by the Work First New Jersey program funded through the Department of Human Services, subject to the approval of the Director of the Division of Budget and Accounting.

Providing that expenditures during the current fiscal year on Workers' Compensation claims attributable to the Departments of Human Services, Transportation, Corrections, and Law and Public Safety are less than the respective amounts expended by those departments for claims attributable to the preceding fiscal year, all or a portion of that savings is appropriated to those departments or the Division of Risk Management within the Department of the Treasury for the purpose of improving worker safety and reducing workers' compensation costs, subject to the approval of the Director of the Division of Budget and Accounting.

To the extent that sums appropriated to pay auto insurance claims are insufficient, there are appropriated such additional sums as may be required to pay auto insurance claims, subject to the approval of the Director of the Division of Budget and Accounting.

The amount hereinabove appropriated for the Vehicle Claims Liability Fund is available for the payment of direct costs of legal, investigative and medical services related to the investigation, mitigation and litigation of claims against the fund.

The unexpended balance at the end of the preceding fiscal year in the Self-Insurance Deductible Fund is appropriated for the same purposes.

The amount hereinabove appropriated for the Self-Insurance Fund - Foster Parents is available for the payment of direct costs of legal, investigative and medical services related to the investigation, mitigation and litigation of claims against the fund.

The sums hereinabove appropriated are available for payment of obligations applicable to prior fiscal years.

There are appropriated out of revenues received from utility companies such sums as may be required for implementation and administration of the Energy Conservation Initiatives Program, subject to the approval of the Director of the Division of Budget and Accounting.

In addition to the sums hereinabove appropriated for Fuel and Utilities, the Director of the Division of Budget and Accounting shall transfer or credit to this account such sums that accrue from appropriations made to various spending agencies for Fuel and Utilities and Salaries and Wages, to reflect savings associated with electrical deregulation, fuel switch and other energy-conservation initiatives.

Of the amount hereinabove appropriated for fuel and utility costs, amounts may be transferred to State departments to meet fuel and utility needs, subject to the approval of the Director of the Division of Budget and Accounting; and, in addition to the sums hereinabove appropriated for fuel and utility costs, there are appropriated such additional sums as may be required to pay fuel and utility costs, subject to the approval of the Director of the Division of Budget and Accounting.

Revenue generated from the sale of Solar Renewable Energy Certificates is appropriated to fund energy-related savings initiatives as determined by the Director of Energy Savings within the Department of the Treasury, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any law or regulation to the contrary, in addition to the amount hereinabove appropriated for Fuel and Utilities, there is appropriated \$42,500,000 from the Clean Energy Fund for utility costs in State facilities.

Receipts derived from fees charged for public parking at the Bangs Avenue Parking Garage in Asbury Park, and the unexpended balance from the preceding fiscal year, are appropriated for the costs incurred for maintenance and operation of the garage, subject to the approval of the Director of the Division of Budget and Accounting.

In addition to the amount hereinabove appropriated for the Household and Security account, there is appropriated to the Household and Security account \$2,500,000 from the Motor Vehicle Commission for utility, security, and building maintenance costs.

In addition to the amount hereinabove appropriated for Utilities and Other Services, of the unexpended balances in the Petroleum Overcharge Reimbursement Fund, there is appropriated such sums as are required to fund the energy tracking and invoice payment system, as determined by the Director of Energy Savings within the Department of the Treasury, subject to the approval of the Director of the Division of Budget and Accounting.

In accordance with the "Recycling Enhancement Act," (P.L.2007, c.311), an amount not to exceed \$358,000 is appropriated from the State Recycling Fund - Recycling Administration account to the Department of the Treasury for administrative costs attributable to the state recycling program, subject to the approval of the Director of the Division of Budget and Accounting.

Language Recommendations -- Grants-In-Aid - General Fund

In addition to the amounts hereinabove appropriated for the Sports and Exposition Authority Operations - Debt Service there are appropriated such additional sums as may be necessary, subject to the approval of the Director of the Division of Budget and Accounting.

The amount hereinabove appropriated for the New Jersey Performing Arts Center, EDA account shall be used to pay the State's obligations pursuant to a lease with the New Jersey Economic Development Authority, for the lease of real property and infrastructure improvements and the Performing Arts Center structure constructed thereon purchased by the authority for the State in the city of Newark, for the purpose of constructing buildings to comprise a Performing Arts Center. Notwithstanding the provisions of any law or regulation to the contrary, the State Treasurer may enter into a lease with the New Jersey Economic Development Authority to lease the real property and improvements thereon purchased or caused to be constructed by the authority for the State in the city of Newark for the Performing Arts Center, subject to the prior written consent of the Director of the Division of Budget and Accounting, the President of the Senate and the Speaker of the General Assembly. Upon the final payment of the State's obligations pursuant to the lease for the real property and infrastructure improvements purchased by the Authority, the title to the real property and improvements shall revert to the State. The State may sublease the land and facilities for the purpose of operating, maintaining or financing a Performing Arts Center in Newark. Any sublease for use of land and improvements acquired for the State by the New Jersey

INTERDEPARTMENTAL ACCOUNTS

Economic Development Authority for the Performing Arts Center shall be subject to the prior written approval of the Director of the Division of Budget and Accounting and the Joint Budget Oversight Committee, or its successor. There are appropriated such additional sums as may be necessary to pay debt service for the New Jersey Performing Arts Center.

The amounts hereinabove appropriated for debt service payments attributable to the New Jersey Performing Arts Center, EDA program and to the Municipal Rehabilitation and Economic Recovery, EDA program may be paid by the New Jersey Economic Development Authority from resources available from unexpended balances, and in such instances the amounts appropriated for the New Jersey Performing Arts Center, EDA program and for the Municipal Rehabilitation and Economic Recovery, EDA program shall be reduced by the same amount. There are appropriated such additional sums as may be necessary to pay debt service and other costs for the Municipal Rehabilitation and Economic Recovery, EDA program, subject to the approval of the Director of the Division of Budget and Accounting.

Language Recommendations -- Capital Construction

There are appropriated such additional sums as may be required to pay future debt service costs for projects undertaken by the New Jersey Building Authority, subject to the approval of the Director of the Division of Budget and Accounting.

In addition to the amounts appropriated under P.L.2004, c.71, donations for the 9/11 Memorial Design Costs from public and private sources, including those collected from the Port Authority of New York and New Jersey, for the purposes of planning, designing, maintaining and constructing a memorial to the victims of the terrorist attacks of September 11, 2001, on the World Trade Center in New York City, the Pentagon in Washington, D.C., and United Airlines Flight 93 in Somerset County, Pennsylvania, shall be deposited by the State Treasurer in a dedicated account established for this purpose and are appropriated for the purposes set forth under P.L.2004, c.71 and there are appropriated or transferred such sums as are necessary for the 9/11 Memorial project, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any law or regulation to the contrary, in order to provide flexibility in administering the amounts provided for Statewide Fire, Life Safety and Renovations Projects; Roof Repairs-Statewide; American's with Disabilities Act Compliance Projects-Statewide; Hazardous Materials Removal Projects-Statewide; Statewide Security Projects; and Energy Efficiency-Statewide Projects; such sums as may be necessary may be transferred to individual project line items within various departments, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any law or regulation to the contrary, \$1,700,000 from funds appropriated to the Water Infiltration account shall be transferred to the Department of Corrections Critical Repairs account for the Chiller System Replacement - New Jersey State Prison project.

Of the amounts hereinabove appropriated for Hazardous Materials Removal Projects - Statewide and Statewide Security Projects, funds may be transferred to the Fuel Distribution Systems / Underground Storage Tank Replacements - Statewide account for the removal of underground storage tanks at State facilities, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any law or regulation to the contrary, an amount not to exceed \$5,000,000, from monies received from the sale of real property that are deposited in the State-owned Real Property Fund (P.L.2007, c.108) are appropriated for Statewide Roofing Repairs and Replacements.

The unexpended balances at the end of the preceding fiscal year of appropriations from the "1996 Economic Development Site Fund," established pursuant to section 20 of the "Port of New Jersey Revitalization, Dredging, Environmental Cleanup, Lake Restoration, and Delaware Bay Area Economic Development Bond Act of 1996," c. 70 are appropriated.

The amount hereinabove appropriated for Energy Efficiency - Statewide Projects is payable from the Clean Energy Fund to provide the full cost of energy efficiency projects in State facilities including, but not limited to, up to \$6,000,000 for heating, ventilation and air conditioning systems at various Human Services institutions. The project allocations may be adjusted based on consultation with the Department of the Treasury, Office of Energy Savings, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any law or regulation to the contrary, any monies received from the sale of real property that are deposited in the State-owned Real Property Fund (P.L.2007, c.108) are appropriated for Capital projects that increase energy efficiency, improve work place safety or for information technology systems or other capital investments that will generate an operating budget savings, subject to the approval of the Director of the Division of Budget and Accounting.

In addition to the amount hereinabove appropriated for the Garden State Preservation Trust Fund Account, interest earned and accumulated commencing with the start of this fiscal year is appropriated.

The amount hereinabove appropriated for the Garden State Preservation Trust Fund Account is subject to the provisions of the "Garden State Preservation Trust Act," P.L. 1999, c.152 (C.13:8C-1 et seq.) and the constitutional amendment on open space (Article VIII, Section II, paragraph 7).

INTERDEPARTMENTAL ACCOUNTS

70. GOVERNMENT DIRECTION, MANAGEMENT, AND CONTROL 74. GENERAL GOVERNMENT SERVICES 9410. EMPLOYEE BENEFITS

EVALUATION DATA

	Actual FY 2008	Actual FY 2009	Revised FY 2010	Budget Estimate FY 2011
PROGRAM DATA				
Employee Benefits				
Judicial Retirement System				
Assets	\$ 353,107,790	\$ 264,058,955	\$ 247,845,735	\$ 227,688,183
Active Members	425	421	416	410
Pensioners	475	498	516	534
Annual Pensions	\$ 34,646,070	\$ 37,125,164	\$ 39,374,890	\$ 41,761,003
Lump Sum Death Benefits	\$ 956,890	\$ 539,843	\$ 828,287	\$ 911,000
Prison Officers' Pension Fund				
Assets	\$ 13,115,381	\$ 12,205,825	\$ 11,790,827	\$ 11,450,072
Pensioners	159	150	142	134
Public Employees' Retirement System				
Assets	\$ 27,459,553,256	\$ 22,795,151,001	\$ 23,476,726,016	\$ 24,113,706,344
Total Members	330,523	319,782	319,581	319,389
State (Active)	86,233	84,219	83,498	82,785
State (Inactive)	28,125	22,006	22,006	22,006
Local	216,165	213,557	214,077	214,598
Pensioners	129,573	134,423	138,792	143,302
Annual Pensions	\$ 2,023,571,985	\$ 2,206,606,763	\$ 2,382,785,940	\$ 2,573,136,735
Lump Sum Death Benefits	\$ 125,809,087	\$ 100,487,729	\$ 102,401,015	\$ 104,350,731
State Police Retirement System				
Assets	\$ 1,978,285,165	\$ 1,572,827,740	\$ 1,578,804,486	\$ 1,576,945,410
Total Members	3,141	3,149	3,023	2,913
Active	2,938	2,990	2,968	2,858
Inactive	203	159	55	55
Pensioners	2,517	2,582	2,670	2,760
Annual Pensions	\$ 119,912,575	\$ 129,777,885	\$ 138,783,847	\$ 148,420,183
Lump Sum Death Benefits	\$ 1,525,502	\$ 2,196,860	\$ 1,132,480	\$ 1,780,000
Police and Firemen's Retirement System				
Assets	\$ 21,179,569,355	\$ 18,222,795,425	\$ 19,266,961,603	\$ 20,356,620,807
Total Members	46,345	45,843	45,869	45,894
State (Active)	7,761	7,682	7,614	7,546
State (Inactive)	375	220	220	220
Local	38,209	37,941	38,035	38,128
Pensioners	32,905	34,165	35,590	37,074
Annual Pensions	\$ 1,322,474,863	\$ 1,431,935,930	\$ 1,540,640,478	\$ 1,657,647,526
Lump Sum Death Benefits	\$ 30,634,136	\$ 31,484,481	\$ 31,767,841	\$ 32,053,752
Alternate Benefit Program				
Total Active Members	19,616	21,285	22,308	23,389
State	16,662	18,337	19,366	20,453
County	2,954	2,948	2,942	2,936
Defined Contribution Retirement Plan				
Total Active Members	289	796	955	1,146
State	45	96	115	138
County	244	700	840	1,008
Teachers' Pension and Annuity Fund				
Assets	\$ 32,572,114,005	\$ 25,332,519,085	\$ 24,825,868,703	\$ 24,048,429,684
Total Members	158,471	159,306	160,380	161,464
State	244	218	198	180
County	36	34	31	27
Local	158,191	159,054	160,151	161,257
Pensioners	75,062	77,945	81,393	84,993
Annual Pensions	\$ 2,607,233,754	\$ 2,805,740,059	\$ 3,027,579,889	\$ 3,267,013,811
Lump Sum Death Benefits	\$ 70,448,959	\$ 63,825,481	\$ 65,066,248	\$ 66,331,136

INTERDEPARTMENTAL ACCOUNTS

	Actual FY 2008	Actual FY 2009	Revised FY 2010	Budget Estimate FY 2011
Consolidated Police & Firemen's Pension Fund				
Assets	\$ 14,077,043	\$ 12,131,037	\$ 10,193,711	\$ 8,066,073
Pensioners	503	422	354	298
Annual Pensions	\$ 10,398,599	\$ 8,844,291	\$ 7,691,894	\$ 6,691,922
Health Benefits Program				
Covered Members	350,311	373,876	380,125	385,084
State	146,237	146,470	146,255	145,569
Local	204,074	227,406	233,870	239,515

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2009					Year Ending June 30, 2011				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	2010 Prog. Class.	Adjusted Approp.	Requested	Recom- mended	
<u>DIRECT STATE SERVICES</u>									
Distribution by Fund and Program									
1,733,031	1,225	-24,485	1,709,771	1,480,898	03	1,668,836	1,804,209	1,804,209	
1,733,031	1,225	-24,485	1,709,771	1,480,898		1,668,836	1,804,209	1,804,209	
<i>Less:</i>									
---	---	---	---	---		(70,371)	---	---	
Total Deductions						(70,371)	---	---	
1,733,031	1,225	-24,485	1,709,771	1,480,898		1,598,465	1,804,209	1,804,209	
Distribution by Fund and Object									
Special Purpose:									
186,510	---	-53,808	132,702	18,046	03	17,521	---	---	
216,898	---	-11,899	204,999	204,999	03	230,432	258,605	258,605	
24,689	---	-645	24,044	23,515	03	25,948	26,852	26,852	
60,663	---	---	60,663	5,869	03	5,871	---	---	
7,253	---	-195	7,058	6,737	03	7,471	8,262	8,262	
3,109	---	---	3,109	300	03	292	---	---	
1,159	---	42	1,201	1,201	03	1,306	1,299	1,299	
183	---	31	214	214	03	204	180	180	
---	---	90	90	66	03	120	219	219	
---	---	---	---	---	03	79	124	124	
34,918	---	---	34,918	3,378	03	3,280	---	---	
1,501	---	719	2,220	2,197	03	1,546	1,780	1,780	
11,957	---	---	11,957	1,157	03	1,123	---	---	
649	---	---	649	540	03	1,105	911	911	
2,020	---	---	2,020	196	03	190	---	---	

INTERDEPARTMENTAL ACCOUNTS

Year Ending June 30, 2009					Year Ending June 30, 2011				
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	2010 Prog. Class.	Adjusted Approp.	Requested	Recommended	
					<u>DIRECT STATE SERVICES</u>				
3,771	---	-527	3,244	3,244	Teachers' Pension and Annuity Fund - Post Retirement Medical-State	03	3,634	3,355	3,355
80	---	---	80	79	Teachers' Pension and Annuity Fund - Non-contributory Insurance	03	78	79	79
1,530	---	---	1,530	1,374	Pension Adjustment Program	03	1,330	1,254	1,254
63	---	---	63	63	Veterans Act Pensions	03	63	63	63
5	---	---	5	5	Health Act Pensions	03	5	---	---
83,665	---	---	83,665	83,665	Debt Service on Pension Obligation Bonds	03	90,914	98,251	98,251
105	---	---	105	90	Volunteer Emergency Survivor Benefit	03	135	105	105
436,335	---	43,806	480,141	478,873	State Employees' Health Benefits	03	579,266 24,000 ^S	655,254	655,254
70,597	---	-3,972	66,625	66,625	Other Pension Systems-Post Retirement Medical	03	73,834	85,672	85,672
174,459	---	---	174,459	174,459	State Employees' Prescription Drug Program	03	186,814 ^(a)	206,907	206,907
21,100	---	---	21,100	21,100	State Employees' Dental Program - Shared Cost	03	24,080	14,794	14,794
1,000	---	---	1,000	574	State Employees' Vision Care Program	03	1,000	1,000	1,000
366,893	1,225	2,144	370,262	367,731	Social Security Tax - State	03	360,239 5,000 ^S	393,219	393,219
12,204	---	-205	11,999	11,526	Temporary Disability Insurance Liability	03	12,054	11,860	11,860
9,715	---	-66	9,649	3,075	Unemployment Insurance Liability	03	2,558 7,344 ^S	34,164	34,164
					<i>Less:</i>				
---	---	---	---	---	<i>Deductions</i>		(140,533) ^(b) 70,162 ^S	---	---
					<u>GRANTS-IN-AID</u>				
					Distribution by Fund and Program				
768,514	704	49	769,267	762,281	Employee Benefits	03	816,023	869,702	869,702
768,514	704	49	769,267	762,281	Total Grants-in-Aid		816,023	869,702	869,702
					Distribution by Fund and Object				
					Special Purpose:				
19,800	---	-13,792	6,008	4,958	Public Employees' Retirement System	03	2,847	---	---
35,362	---	-3,313	32,049	32,049	Public Employees' Retirement System - Post Retirement Medical	03	36,486	40,526	40,526
2,397	---	---	2,397	2,343	Public Employees' Retirement System - Non-contributory Insurance	03	2,492	2,661	2,661
4,248	---	---	4,248	1,063	Police and Firemen's Retirement System	03	611	---	---
258	---	---	258	239	Police and Firemen's Retirement System - Non-contributory Insurance	03	265	317	317
127,138	---	-2,226	124,912	122,724	Alternate Benefit Program - Employer Contributions	03	133,493	139,470	139,470
19,654	---	2,004	21,658	21,658	Alternate Benefit Program - Non-contributory Insurance	03	20,440	19,427	19,427
650	---	---	650	161	Teachers' Pension and Annuity Fund	03	93	---	---

INTERDEPARTMENTAL ACCOUNTS

Year Ending June 30, 2009					Year Ending June 30, 2011				
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	Prog. Class.	2010 Adjusted Approp.	Requested	Recommended	
GRANTS-IN-AID									
6,437	---	-1,211	5,226	5,226	Teachers' Pension and Annuity Fund - Post Retirement Medical-State	03	5,823	4,976	4,976
17	---	---	17	16	Teachers' Pension and Annuity Fund - Non-contributory Insurance	03	17	15	15
4,827	---	---	4,827	4,827	Debt Service on Pension Obligation Bonds	03	5,245	5,669	5,669
246,316	---	18,707	265,023	265,023	State Employees' Health Benefits	03	272,709 16,000 ^S	305,961	305,961
21,981	---	-1,591	20,390	20,390	Other Pension Systems-Post Retirement Medical	03	22,994	26,052	26,052
80,834	---	---	80,834	80,834	State Employees' Prescription Drug Program	03	86,612	92,723	92,723
10,343	---	---	10,343	10,343	State Employees' Dental Program - Shared Cost	03	11,102	11,541	11,541
179,535	704	1,200	181,439	181,439	Social Security Tax - State	03	182,427 2,400 ^S	196,721	196,721
5,631	---	205	5,836	5,836	Temporary Disability Insurance Liability	03	5,848	6,540	6,540
3,086	---	66	3,152	3,152	Unemployment Insurance Liability	03	3,087 5,032 ^S	17,103	17,103
<u>2,501,545</u>	<u>1,929</u>	<u>-24,436</u>	<u>2,479,038</u>	<u>2,243,179</u>	Grand Total State Appropriation		<u>2,414,488</u>	<u>2,673,911</u>	<u>2,673,911</u>

Notes -- Direct State Services - General Fund

- (a) The fiscal year 2010 appropriation has been adjusted for the reallocation of procurement efficiencies.
- (b) The fiscal year 2010 appropriation has been adjusted for the reallocation of annualized savings from continued attrition and management efficiencies to the agency budgets.

Language Recommendations -- Direct State Services - General Fund

There is appropriated a sufficient amount in order that upon application to the Director of the Division of Budget and Accounting, an annuity of \$4,000 shall be paid to the widow or widower of any person, now deceased, who was elected and served as Governor of the State; provided such widow or widower was the spouse of such person for all or part of the period during which he or she served as Governor; and provided further, that this shall not apply to any widow or widower receiving a pension granted under R.S.43:8-2, and continued by R.S.43:7-1 et seq., R.S.43:8-1 et seq., and R.S.43:8-8 et seq.

The amounts hereinabove appropriated for Employee Benefits may be transferred to the Grants-In-Aid accounts for the same purposes.

Such additional sums as may be required for Public Employees' Retirement System - Post Retirement Medical, Public Employees' Retirement System - Non-contributory Insurance, Police and Firemen's Retirement System - Non-contributory Insurance, Alternate Benefit Program - Employer Contributions, Alternate Benefit Program - Non-contributory Insurance, Defined Contribution Retirement Program, Defined Contribution Retirement Program - Non-contributory Insurance, Teachers' Pension and Annuity Fund - Post Retirement Medical - State, Teachers' Pension and Annuity Fund - Non-contributory Insurance, State Police Retirement System - Non-contributory Insurance, Judicial Retirement System - Non-contributory Insurance, State Employees' Health Benefits, Other Pension Systems - Post Retirement Medical, State Employees' Prescription Drug Program, State Employees' Dental Program - Shared Cost, State Employees' Vision Care Program, Social Security Tax - State, Temporary Disability Insurance Liability, and Unemployment Insurance Liability are appropriated, as the Director of the Division of Budget and Accounting shall determine.

No monies hereinabove appropriated shall be used to provide additional health insurance coverage to a State or local elected official when that official receives health insurance coverage as a result of holding other public office or employment.

Notwithstanding the provisions of the "Pension Adjustment Act," P.L.1958, c.143 (C.43:3B-1 et seq.), pension adjustment benefits for State members and beneficiaries of the Consolidated Police and Firemen's Pension Fund, Prison Officers' Pension Fund, and Central Pension Fund shall be paid by the respective pension funds. The amounts hereinabove appropriated for the Pension Adjustment Program for these benefits as required under the act shall be paid to the Pension Adjustment Fund.

In addition to the sum hereinabove appropriated for Debt Service on Pension Obligation Bonds to make payments under the State Treasurer's contracts authorized pursuant to section 6 of P.L.1997, c.114 (C.34:1B-7.50), there are appropriated such other sums as the Director of the Division of Budget and Accounting shall determine are required to pay all amounts due from the State pursuant to such contracts.

The unexpended balance at the end of the preceding fiscal year in the Debt Service on Pension Obligation Bonds account is appropriated for the same purpose.

Such additional sums as may be required for State Employees' Health Benefits may be allotted from the various departmental operating appropriations to this account, as the Director of the Division of Budget and Accounting shall determine.

INTERDEPARTMENTAL ACCOUNTS

Such additional sums as may be required for Social Security Tax - State may be allotted from the various departmental operating appropriations to this account, as the Director of the Division of Budget and Accounting shall determine.

Notwithstanding the provisions of any law or regulation to the contrary, fees due to the third party administrator for the Section 125 Tax Savings Program established in 1996 pursuant to section 7 of P.L.1996, c.8 (C.52:14-15.1a) and the Section 132(f) Commuter Transportation Benefit Program established in 2003 pursuant to section 1 of P.L.2001, c.162 (C.52:14-15.1b) shall be paid from amounts hereinabove appropriated for the Social Security Tax - State Account, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of any law or regulation to the contrary, fees due to the third party administrator for the Unemployment Compensation Management and Cost Control Program, which was established pursuant to N.J.A.C. 17:1-9.6, shall be paid from amounts hereinabove appropriated for the Unemployment Insurance Liability account, subject to the approval of the Director of the Division of Budget and Accounting.

Language Recommendations -- Grants-In-Aid - General Fund

The amounts hereinabove appropriated for Employee Benefits may be transferred to the Direct State Services accounts for the same purposes.

Such additional sums as may be required for Public Employees' Retirement System - Post Retirement Medical, Public Employees' Retirement System - Non-contributory Insurance, Police and Firemen's Retirement System - Non-contributory Insurance, Alternate Benefit Program - Employer Contributions, Alternate Benefit Program - Non-contributory Insurance, Teachers' Pension and Annuity Fund - Post Retirement Medical - State, Teachers' Pension and Annuity Fund - Non-contributory Insurance, State Employees' Health Benefits, Other Pension Systems - Post Retirement Medical, State Employees' Prescription Drug Program, State Employees' Dental Program - Shared Cost, Social Security Tax - State, Temporary Disability Insurance Liability, and Unemployment Insurance Liability are appropriated, as the Director of the Division of Budget and Accounting shall determine.

No monies hereinabove appropriated shall be used to provide additional health insurance coverage to a State or local elected official when that official receives health insurance coverage as a result of holding other public office or employment.

The unexpended balance at the end of the preceding fiscal year in the Debt Service on Pension Obligation Bonds account is appropriated for the same purpose.

In addition to the sum hereinabove appropriated for Debt Service on Pension Obligation Bonds to make payments under the State Treasurer's contracts authorized pursuant to section 6 of P.L.1997, c.114 (C.34:1B-7.50), there are appropriated such other sums as the Director of the Division of Budget and Accounting shall determine are required to pay all amounts due from the State pursuant to such contracts.

Notwithstanding the provisions of any law or regulation to the contrary, fees due to the third party administrator for the Unemployment Compensation Management and Cost Control Program, which was established pursuant to N.J.A.C. 17:1-9.6, shall be paid from amounts hereinabove appropriated for the Unemployment Insurance Liability account, subject to the approval of the Director of the Division of Budget and Accounting.

INTERDEPARTMENTAL ACCOUNTS

70. GOVERNMENT DIRECTION, MANAGEMENT, AND CONTROL 74. GENERAL GOVERNMENT SERVICES 9420. OTHER INTERDEPARTMENTAL ACCOUNTS

APPROPRIATIONS DATA (thousands of dollars)

Orig. & (S)Supplemental	Year Ending June 30, 2009				Prog. Class.	2010		Year Ending June 30, 2011	
	Reapp. & (R)Recepts.	Transfers & (E)Emergencies	Total Available	Expended		Adjusted Approp.	Requested	Recommended	
<u>DIRECT STATE SERVICES</u>									
Distribution by Fund and Program									
4,757	1,962	21,788	28,507	24,621	Other Interdepartmental Accounts 04	27,475	17,475	17,475	
<u>4,757</u>	<u>1,962</u>	<u>21,788</u>	<u>28,507</u>	<u>24,621</u>	Total Direct State Services	<u>27,475</u>	<u>17,475</u>	<u>17,475</u>	
Distribution by Fund and Object									
Special Purpose:									
375	1,781	-600	1,556	---	To the Governor, for allotment to the various departments or agencies, to meet any condition of emergency or necessity; provided however, that a sum not in excess of \$5,000 shall be available for expenses of officially receiving dignitaries and for incidental expenses, including lunches for non-salaried board members and others for whom official reception shall be beneficial to the State.	04	375	375	375
625	---	-483	142	---	Contingency Funds	04	625	625	625
1,082 ^S	---	22,871	23,953	23,952	Interest On Short Term Notes	04	24,000	14,000	14,000
1,100	---	---	1,100	311	Debt Issuance-Special Purpose	04	1,100	1,100	1,100
225	---	---	225	219	Catastrophic Illness in Children Relief Fund - Employer Contributions	04	225	225	225
1,000	---	---	1,000	---	Interest on Interfund Borrowing	04	1,000	1,000	1,000
350	181	---	531	139	Payment of Military Leave Benefits	04	150	150	150
<u>GRANTS-IN-AID</u>									
Distribution by Fund and Program									
---	246	---	246	3	Other Interdepartmental Accounts 04	---	---	---	
<u>---</u>	<u>246</u>	<u>---</u>	<u>246</u>	<u>3</u>	Total Grants-in-Aid	<u>---</u>	<u>---</u>	<u>---</u>	
Distribution by Fund and Object									
Grants:									
---	246	---	246	3	Property Tax Assistance and Community Development Grants	04	---	---	---
<u>4,757</u>	<u>2,208</u>	<u>21,788</u>	<u>28,753</u>	<u>24,624</u>	Grand Total State Appropriation	<u>27,475</u>	<u>17,475</u>	<u>17,475</u>	

Language Recommendations -- Direct State Services - General Fund

Unless otherwise indicated, funds hereinabove appropriated may be allotted by the Director of the Division of Budget and Accounting to the various departments and agencies.

Notwithstanding the provisions of N.J.S. 2A:153-1 et seq., there is allocated at the discretion of the Governor, an amount up to \$50,000, from the Special Purpose amount hereinabove appropriated to meet any condition of emergency or necessity, as a reward for the capture and return of Joanne Chesimard.

There are appropriated to the Emergency Services Fund such sums as are required to meet the costs of any emergency occasioned by aggression, civil disturbance, sabotage, or disaster as recommended by the Emergency Services Council and approved by the Governor, and subject to the approval of the Director of the Division of Budget and Accounting. In the event that the Emergency Services Council is unable to convene due to any such emergency described above, there shall be appropriated to the Emergency Service Fund such sums as are required to meet the costs of any such emergency described above, and payments from the Fund shall be made by the State Treasurer upon approval of the Governor and the Director of the Division of Budget and Accounting.

INTERDEPARTMENTAL ACCOUNTS

The unexpended balance at the end of the preceding fiscal year in the Governor's Contingency Fund is appropriated for the same purpose. Such sums as may be necessary for payment of expenses incurred by issuing officials appointed under the several bond acts of the State are appropriated for the purposes and from the sources defined in those acts.

The unexpended balance at the end of the preceding fiscal year in Payment of Military Leave Benefits is appropriated for the same purpose.

70. GOVERNMENT DIRECTION, MANAGEMENT, AND CONTROL 74. GENERAL GOVERNMENT SERVICES 9430. SALARY INCREASES AND OTHER BENEFITS

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 2009					Year Ending June 30, 2011			
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	Prog. Class.	2010 Adjusted Approp.	Requested	Recommended
DIRECT STATE SERVICES								
Distribution by Fund and Program								
95,108	77,904	7,209	180,221	18,856				
<u>95,108</u>	<u>77,904</u>	<u>7,209</u>	<u>180,221</u>	<u>18,856</u>		<u>10,500</u>	<u>194,308</u>	<u>194,308</u>
Less:								
---	---	---	---	---			(50,000)	(50,000)
---	---	---	---	---			<u>(50,000)</u>	<u>(50,000)</u>
<u>95,108</u>	<u>77,904</u>	<u>7,209</u>	<u>180,221</u>	<u>18,856</u>		<u>10,500</u>	<u>144,308</u>	<u>144,308</u>
Distribution by Fund and Object								
75,775	77,904	7,209	160,888	---			183,808	183,808
19,333	---	---	19,333	18,856		10,500	10,500	10,500
---	---	---	---	---			(50,000)	(50,000)
GRANTS-IN-AID								
Distribution by Fund and Program								
38,485	---	-38,485	---	---			---	---
<u>38,485</u>	<u>---</u>	<u>-38,485</u>	<u>---</u>	<u>---</u>			<u>---</u>	<u>---</u>
Distribution by Fund and Object								
<u>38,485</u>	<u>---</u>	<u>-38,485</u>	<u>---</u>	<u>---</u>			<u>---</u>	<u>---</u>
<u>133,593</u>	<u>77,904</u>	<u>-31,276</u>	<u>180,221</u>	<u>18,856</u>		<u>10,500</u>	<u>144,308</u>	<u>144,308</u>

Notes -- Direct State Services - General Fund

(a) The original fiscal 2010 appropriation for salary program allocation was transferred to the agency budgets.

Language Recommendations -- Direct State Services - General Fund

The sums hereinabove appropriated to the various State departments, agencies or commissions for the cost of salaries, wages, or other benefits shall be allotted as the Director of the Division of Budget and Accounting shall determine.

Notwithstanding the provisions of any law or regulation to the contrary, including R.S.34:15-49 and section 1 of P.L.1981, c.353 (C.34:15-49.1), the State Treasurer, the Chairperson of the Civil Service Commission, and the Director of the Division of Budget and Accounting shall establish directives governing salary ranges and rates of pay, including salary increases. The implementation of such directives shall be made effective at the first full pay period of the fiscal year as determined by such directives, with timely notification of such directives to the Joint Budget Oversight Committee or its successor. Such directives shall not be considered an "administrative rule" or "rule" within the meaning of subsection (e) of section 2 of P.L.1968, c.410 (C.52:14B-2), but shall be considered exempt under paragraphs (1) and (2) of subsection (e) of section 2 of P.L.1968, c.410 (C.52:14B-2), and shall not be subject to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.). Nothing herein shall be construed as applicable to the Presidents of the State Colleges, Rutgers, The State University, the University of Medicine and Dentistry of New Jersey and the New Jersey Institute of Technology.

INTERDEPARTMENTAL ACCOUNTS

No salary range or rate of pay shall be increased or paid in any State department, agency, or commission without the approval of the Director of the Division of Budget and Accounting. Nothing herein shall be construed as applicable to unclassified personnel of the Legislative Branch or unclassified personnel of the Judicial Branch.

Any sums appropriated for Salary Increases and Other Benefits shall be made available for any person holding State office, position or employment whose compensation is paid directly or indirectly, in whole or in part, from State funds, including any person holding office, position or employment under the Palisades Interstate Park Commission.

The unexpended balance at the end of the preceding fiscal year in the Salary Increases and Other Benefits account is appropriated for the same purposes.

Notwithstanding the provisions of any law or regulation to the contrary, the Director of the Division of Budget and Accounting may transfer from departmental accounts and credit to the Salary Increases and Other Benefits account such sums that reflect Savings from Privatization Initiatives. These additional sums are appropriated for Salary Increases and Other Benefits.

In addition to the amount hereinabove appropriated for Unused Accumulated Sick Leave Payments, there are appropriated such sums as may be necessary for payments of unused accumulated sick leave.