

# INTER-DEPARTMENTAL ACCOUNTS

## INTERDEPARTMENTAL ACCOUNTS OVERVIEW

The Interdepartmental Accounts provide funds for the cost of certain services which are administered centrally on behalf of all agencies of State government. The programs supported by these funds include property rentals, insurance, utilities, employee benefits such as pensions and health benefits, salary contract funding and a contingency reserve. The fiscal 1998 recommendation totals \$1.467 billion.

The Property Rentals account provides for payment of rents for existing and anticipated leases of offices and other facilities used by State agencies. This account also subsumes lease-purchase rental agreements for buildings whose titles will pass to the State upon the final lease payment. The debt service associated with the State's lease-purchase of facilities acquired or built by authorities such as the New Jersey Building Authority, Sports and Exposition Authority, Mercer County Improvement Authority and the Economic Development Authority or private parties are also included in the Rent Account. Properties acquired or built by authorities are not considered as ratable properties, and payments in lieu of taxes are also made available through the Rent Account.

The Property Rentals Budget recommendation is a decrease of \$5.7 million from fiscal 1997. The primary initiatives enabling this reduction are: the aggressive lease reduction program with \$8 million in projected lease reductions for fiscal 1998, \$2 million from the re-negotiation of term leases at more favorable rates, and \$1 million from a containment of costs to renovate new rental space. Other savings include a decrease of \$1.2 million in debt service schedules for the Sports and Exposition Authority and a \$642,000 decrease in debt service schedules for the Economic Development Authority. Offsetting these savings is a \$3.8 million increase for the Kearny and Secaucus inmate housing arrangements with Hudson County, and \$2 million for inflationary increases. Also, offsetting these savings is an increase of \$1.5 million for a management agreement with the Camden Aquarium.

The Insurance and Other Services Account includes funding for insurance premiums for property, casualty, and special insurance policies for the State of New Jersey. The insurance policies provided include various items such as coverage to insure against loss to State-owned real and personal property, boilers and machinery, fine arts and liability. The insurance accounts also provide self-insurance funds to cover claims that may be brought against a State entity as a result of negligence resulting in injury or death to a person or damage to or loss of property (Tort Claims Liability), employees' medical costs (Workers' Compensation), vehicle liability claims for property damage and for injuries resulting from the negligent operation of a State vehicle by its employees (Vehicle Claims Liability), payment of losses within the deductible areas of primary insurance coverage (Self-Insurance Deductible) and payment of claims and expenses arising out of the operation of the Foster Parent Program (Self-Insurance Fund-Foster Parents).

The fiscal 1998 recommendation is a decrease of \$13.95 million from the fiscal 1997 adjusted Appropriation. The majority of this decrease, or \$7.5 million is in Tort Claims Liability funding. Also, contributing to the decrease is a reduction in the Workers' Compensation Self-Insurance account of \$4.9 million and a reduction in Vehicle Claims Liability by \$1.5 million.

The Utilities and Other Services account funds the fuel, utility, janitorial and trash removal costs for the Capitol Complex facilities and the Camden Aquarium. The fiscal 1998 recommendation is a decrease of \$171,000. A mandatory increase of \$991,000 is required for inflationary rate increases for utilities and janitorial services, and projected increased utility costs for full occupancy of various State buildings. This Budget increase is offset by savings attributable to energy initiatives. An amount of \$1 million in savings is anticipated from converting centralized oil heating to more efficient gas heat at three State facility locations. Since the utility costs for these buildings are funded in departmental appropriation accounts, these savings would accrue in those accounts.

This Budget recommendation also assumes savings from the Green Lights Program which entails the sale of bonds by the Economic Development Authority to provide funding for the installation of energy efficient lighting, fans and motors in State and lease-purchase facilities. Projects eligible for funding under this program must demonstrate pay back of energy savings. Debt service payments to support this bond sale are made through the Property Rentals Budget. The utility companies will provide the State with incentive payments (standard offer payments) in fiscal 1998. These payments will be made available to the utility account through appropriation language.

The Employee Benefits Budget of \$1.072 billion funds a variety of pension accounts, health benefits accounts, Social Security Tax, and unemployment and temporary disability insurance accounts. For the seven State retirement systems, and other special retirement acts, the recommendation is \$247.8 million, or \$119.5 million below the fiscal 1997 appropriation. This reduction is due, in part, to bonding of unfunded pension liabilities and the application of pension fund surpluses to reduce the State's contribution based upon the fiscal 1997 State Pension Plan Security Proposal. The fiscal 1998 Budget recommendation of \$470.6 million for health benefits, including, medical insurance, prescription drug, dental insurance and vision care includes health benefit and prescription drug surplus offsets of \$70.8 million. In addition, the fiscal 1998 Budget for employee benefits will be offset by \$2.7 million in fringe benefit savings relating to various agency initiatives.

# INTER-DEPARTMENTAL ACCOUNTS

In addition, the State appropriates contingency funds for unexpected or emergency needs, including the statewide 911 emergency telephone system, with a recommendation of \$18.8 million and appropriations to pay interest on short term notes if the State needs to borrow cash temporarily.

Finally, \$88.4 million is recommended to support the bargaining agreements with the employee unions. The recommendation for salary increases and other benefits does not include funding for higher education senior public institutions. This Budget also includes continuation funding of \$4.5 million for unused accumulated sick leave payments. An offsetting reduction of \$5.6 million will be achieved through a variety of statewide efficiency initiatives. Hence, the fiscal 1998 Budget recommends a net of \$87.3 million for employee salary increases and other benefits.

## SUMMARY OF APPROPRIATIONS BY PROGRAM (thousands of dollars)

Year Ending June 30, 1996						Year Ending June 30, 1998		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		1997 Adjusted Approp.	Requested	Recom- mended
222,909	2,420	-3,268	222,061	221,668	<b>General Government Services</b>			
53,140	3,530	-5,379	51,291	44,302	Property Rentals	213,847	208,167	208,167
1,208,749	10,096	3,814	1,222,659	1,182,268	Insurance and Other Services	54,106	40,156	40,156
147,913	226	-13,480	134,659	133,036	Employee Benefits	1,224,737	1,072,404	1,072,404
53,974	2	-40,321	13,655	4,539	State Contingency Fund	17,210	38,385	38,385
19,200	—	2,200	21,400	21,200	Salary Increases and Other Benefits	4,500	87,345	87,345
					Utilities and Other Services	21,095	20,924	20,924
<b>1,705,885</b>	<b>16,274</b>	<b>-56,434</b>	<b>1,665,725</b>	<b>1,607,013</b>	<b>Total Appropriation</b>	<b>1,535,495</b>	<b>1,467,381</b>	<b>1,467,381</b>

# INTER-DEPARTMENTAL ACCOUNTS

## 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 the 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 liability in tort 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 (RS 43:5-1 et seq.), consisting of persons employed by the State as of January, 1921; (2) Veterans' Act pensioners (RS 43:4-1 et seq.); (3) Miscellaneous Special Pension Acts, in accordance with various State laws authorizing payments to designated individuals; (4) Annuity for Widows of Governors (RS 43:8-2); (5) Judicial pensioners (C43:6-6.4 et seq.); (6) Prison officers (C43:7-7 et seq.) whose funds are administered by a commission of five members including an appointee of the Governor, and the State Treasurer; (7) Public Employees (C43:15A-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 (C53:5A-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) and the pension and the 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 (C43:15A-1 et seq.); the State's share of Social Security Tax (C43:22-1 et seq.); Pension Adjustment Act (C3:3B-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 employees enrolled in the public and school employees' health benefits program. Under C52:14-17.25 et seq., the administration of this program was transferred to the Division of Pensions and Benefits.

The Alternate Benefit Program was established (NJS 18A:64C-11.1, NJS 18A:65-74 and C18A: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; and the State Colleges. The employer contribution to this retirement program is included in this budget.

The State Employee Health Benefits Program (C52:14-17.25 et seq.) provides health insurance for employees and their dependents, including those employed by State colleges and universities, through a traditional plan or a managed care health plan.

The Division of Pensions and Benefits coordinates payment of temporary disability insurance benefits to State employees (C43:21-46). 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 (RS 43:21-1 et seq., as amended by PL 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. 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 (C52:14-17.29) helps meet the cost of drugs prescribed for eligible 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 item dispensed by a licensed participating pharmacy, less a co-payment charge for each eligible prescription and prescription refill, with no co-pay for mail order. The co-payment charge is dependent upon whether the employee chooses a prescription which is generic or non-generic. All full time State employees are eligible to enroll for coverage in the Program without cost to the employee.

04. **State Contingency Fund.** 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, the 911 emergency telephone payments, 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.

# INTER-DEPARTMENTAL ACCOUNTS

## APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 1996					Year Ending June 30, 1998			
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	Prog. Class.	1997 Adjusted Approp.	Requested	Recommended
<b>Distribution by Program</b>								
222,909	2,420	-3,268	222,061	221,668	01	213,847	208,167	208,167
53,140	3,530	-5,379	51,291	44,302	02	54,106	40,156	40,156
19,200	—	2,200	21,400	21,200	06	21,095	20,924	20,924
<b>295,249</b>	<b>5,950</b>	<b>-6,447</b>	<b>294,752</b>	<b>287,170</b>		<b>289,048</b>	<b>269,247</b>	<b>269,247</b>
<b>Distribution by Account</b>								
<b>Property Rentals:</b>								
156,592	2,420	-3,268	155,744	155,418		144,602	137,422	137,422
—	—	—	—	—		—	1,500	1,500
7,298	—	—	7,298	7,298		7,298	7,308	7,308
12,560	—	—	12,560	12,560		18,508	17,866	17,866
35,319	—	—	35,319	35,319		32,859	31,678	31,678
36,436	—	—	36,436	36,369		36,386	36,370	36,370
15,966	—	—	15,966	15,966		—	—	—
						14,452	14,566	14,566
264,171	2,420	-3,268	263,323	262,930		254,105	246,710	246,710
<b>Less:</b>								
(41,262)	—	—	(41,262)	(41,262)		(40,258)	(38,543)	(38,543)
222,909	2,420	-3,268	222,061	221,668		213,847	208,167	208,167
<b>Insurance:</b>								
3,400	—	-200	3,200	1,352		2,195	2,195	2,195
852	—	200	1,052	924		811	811	811
188	—	321	509	171		225	225	225
—	—	20	20	20		—	—	—
						9,000	—	—
12,000	1,472	-5,420	8,052	7,772		7,550 S	9,000	9,000
						20,000	—	—
30,000	2	—	30,002	29,847		8,000 S	23,100	23,100
5,700	1,024	-300	6,424	3,930		5,700	4,200	4,200
800	832	—	1,632	279		500	500	500
200	200	—	400	7		125	125	125
53,140	3,530	-5,379	51,291	44,302		54,106	40,156	40,156
<b>Utilities:</b>								
16,200	—	2,200	18,400	18,243		16,559	16,125	16,125
3,000	—	—	3,000	2,957		4,536	4,799	4,799
19,200	—	2,200	21,400	21,200		21,095	20,924	20,924
<b>OTHER RELATED APPROPRIATIONS</b>								
—	13,050	—	13,050	7,046		7,528	84,933	17,005
295,249	19,000	-6,447	307,802	294,216		296,576	354,180	286,252

Notes: (a) The Fiscal Year 1997 appropriation has been increased to reflect a proposed supplemental appropriation.

## LANGUAGE RECOMMENDATIONS

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.

## INTER-DEPARTMENTAL 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 any other provision of law, and except for leases negotiated by the Office of Property Management and subject to the approval or disapproval by the State Leasing and Utilization Committee pursuant to P.L. 1992, c.130 (C.52:18A-191.1 et seq.), and except as hereinafter provided, no lease for the rental of any office or building shall be executed without the prior written consent of the State Treasurer, the Director of the Division of Budget and Accounting, the President of the Senate and the Speaker of the General Assembly.

An amount not to exceed \$3,000,000 shall be appropriated to implement the Facilities Master Plan, subject to the approval of the Director of the Division of Budget and Accounting.

The amount hereinabove for the Newark Performing Arts Center 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 to be 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 any other provision of law, 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 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 required to pay court-imposed or negotiated settlement costs for the housing of State inmates in Hudson County, subject to the approval of the Director of the Division of Budget and Accounting. The Director of the Division of Budget and Accounting shall notify the Joint Budget Oversight Committee prior to the payment of any such amount.

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.

The unexpended balance as of June 30, 1997 in the Master Lease Program Fund is appropriated for the same purpose.

There are appropriated such additional sums as may be required to pay tort claims under N.J.S.A. 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, 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 direct costs of legal, administrative, and medical services related to the investigation, mitigation and litigation of tort claims under N.J.S.A. 59:12-1, and claims of a tortious nature, 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 indemnification of pool attorneys engaged by the Public Defender for the defense of indigents.

The funds appropriated to the Tort Claims Liability Fund are available for the indemnification of designated pathologists engaged by the State Medical Examiner.

Notwithstanding any other law to the contrary, claims paid from the Tort Claims Liability Fund on behalf of entities funded, 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.

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 for the Workers' Compensation Self-Insurance Fund under R.S. 34:15-1 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.

Notwithstanding any other law 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 Bureau of Risk Management 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.

The sums hereinabove appropriated for Worker's Compensation claims shall be allotted to the departments, as the Director of the Division of Budget and Accounting shall determine.

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.

# INTER-DEPARTMENTAL ACCOUNTS

The amount hereinabove 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 as of June 30, 1997 in the Self-Insurance Deductible Fund is appropriated for the same purposes.

The amount 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 are available for payment of obligations applicable to prior fiscal years.

There are appropriated such additional sums as may be required to pay all insurance costs incurred by the county courts on and after January 1, 1995, at which time these responsibilities pass to the State pursuant to the "State Judicial Unification Act," P.L. 1993, c.275 (C2B:10-1 et seq.), subject to the approval of the Director of the Division of Budget and Accounting.

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 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 the fuel switch energy-conservation initiatives at Trenton Psychiatric Hospital, Edward R. Johnstone Training Center, New Jersey Training School for Boys and the State Police Headquarters.

## 70. GOVERNMENT DIRECTION, MANAGEMENT AND CONTROL

### 74. GENERAL GOVERNMENT SERVICES

#### 9410. EMPLOYEE BENEFITS

##### EVALUATION DATA

	Actual FY 1995	Actual FY 1996	Revised FY 1997	Budget Estimate FY 1998
<b>PROGRAM DATA</b>				
<b>Employee Benefits</b>				
Health Act Pensioners .....	1	1	1	1
Veterans' Act Pensioners .....	9	8	8	8
<b>Judicial Retirement System</b>				
Assets .....	\$122,716,629	\$146,698,268	\$141,622,129	\$260,763,860
Active Members .....	398	412	416	420
Pensioners .....	317	327	339	352
Annual Pensions .....	\$15,638,477	\$16,528,694	\$17,485,705	\$18,498,127
<b>Prison Officers' Pension Fund</b>				
Assets .....	\$868,023	\$1,616,785	\$1,545,177	\$19,891,765
Pensioners .....	306	295	283	272
<b>Public Employees' Retirement System</b>				
Assets .....	\$11,369,708,706	\$12,692,587,862	\$13,893,345,648	\$15,777,784,313
Total Members .....	284,015	277,196	272,966	268,804
State (Active) .....	79,815	76,911	75,373	73,866
State (Inactive) .....	9,645	8,973	8,883	8,794
Local .....	194,555	191,312	188,710	186,144
Pensioners .....	84,781	89,024	93,297	97,775
Annual Pensions .....	\$681,932,325	\$723,017,310	\$794,451,420	\$872,943,220
Lump Sum Death Benefits .....	\$77,913,126	\$77,102,949	\$79,123,046	\$81,196,070
<b>State Police Retirement System</b>				
Assets .....	\$737,118,136	\$855,787,564	\$911,849,295	\$1,214,618,677
Total Members .....	2,584	2,582	2,583	2,584
Active .....	2,549	2,553	2,557	2,561
Inactive .....	35	29	26	23
Pensioners .....	1,433	1,501	1,551	1,603
Annual Pensions .....	\$38,300,327	\$43,251,192	\$46,832,390	\$50,710,112
<b>Police and Firemen's Retirement System</b>				
Assets .....	\$7,242,634,584	\$8,245,221,808	\$8,941,720,539	\$10,467,015,287
Total Members .....	39,144	40,243	40,804	41,373
State (Active) .....	5,699	6,354	6,481	6,611
State (Inactive) .....	403	281	281	281
Local .....	33,042	33,608	34,042	34,481

# INTER-DEPARTMENTAL ACCOUNTS

	Actual FY 1995	Actual FY 1996	Revised FY 1997	Budget Estimate FY 1998
Pensioners .....	18,366	19,147	20,439	21,819
Annual Pensions .....	\$433,027,165	\$487,442,506	\$555,538,224	\$633,146,914
Lump Sum Death Benefits .....	\$20,765,094	\$17,784,921	\$19,844,415	\$22,142,398
<b>Alternate Benefits Program</b>				
Total Active Members .....	13,723	13,937	14,302	14,677
State .....	10,970	11,255	11,593	11,941
County .....	2,753	2,682	2,709	2,736
<b>Teachers' Pension and Annuity Fund</b>				
Assets .....	\$13,591,048,841	\$15,198,146,957	\$16,637,401,653	\$19,908,757,818
Total Members .....	120,300	120,444	121,504	122,575
State .....	530	520	510	500
County .....	99	91	83	76
Local .....	119,671	119,833	120,911	121,999
Pensioners .....	42,174	43,461	45,204	47,016
Annual Pensions .....	\$745,200,828	\$806,887,655	\$889,835,706	\$981,310,817
Lump Sum Death Benefits .....	\$35,820,526	\$40,658,401	\$43,516,687	\$46,575,910
<b>Health Benefits Program</b>				
Covered Members .....	316,502	292,995	279,378	279,378
State .....	124,352	124,683	124,440	124,440
Local .....	192,150	168,312	154,938	154,938

## APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 1996					Year Ending June 30, 1998				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	1997 Adjusted Approp.	Requested	Recom- mended	
<u>1,208,749</u>	<u>10,096</u>	<u>3,814</u>	<u>1,222,659</u>	<u>1,182,268</u>					
<b>1,208,749</b>	<b>10,096</b>	<b>3,814</b>	<b>1,222,659</b>	<b>1,182,268</b>					
					<b>Distribution by Program</b>				
					03	<u>1,224,737</u>	<u>1,072,404</u>	<u>1,072,404</u>	
					<b>Total Appropriation</b>				
					<b>Distribution by Object</b>				
					Special Purpose:				
96,646	1	-1,250	95,397	93,674	03	113,508	57,460	57,460	
58,391	—	—	58,391	57,890	03	85,511	60,464	60,464	
20,827	—	—	20,827	20,827	03	23,091	23,986	23,986	
68,857	—	—	68,857	64,974	03	72,667	72,146	72,146	
29,900	—	—	29,900	29,817	03	40,814	8,372	8,372	
15,600	—	—	15,600	15,559	03	16,926	18,000	18,000	
5,806	—	—	5,806	5,717	03	10,800	2,749	2,749	
2,800	—	—	2,800	2,798	03	2,109	2,809	2,809	
1,619	—	—	1,619	1,542	03	1,631	1,601	1,601	
240	—	—	240	158	03	200	200	200	
40	—	—	40	40	03	35	29	29	
20	—	—	20	4	03	10	10	10	
453,900	—	—	453,900	453,900					
15,950 <sup>S</sup>	1,558	5,850	477,258	474,872	03	429,458	433,309	433,309	
—	—	—	—	—	03	—	-63,200	-63,200	
64,300	37	—	64,337	62,896	03	68,583	86,062	86,062	

# INTER-DEPARTMENTAL ACCOUNTS

Year Ending June 30, 1996						Year Ending June 30, 1998			
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	1997 Adjusted Approp.	Requested	Recommended
—	—	—	—	—	Less Prescription Drug Surplus	03	—	-7,600	-7,600
19,700	—	—	19,700	17,947	State Employees' Dental Program – Shared Cost	03	18,401	21,023	21,023
1,700	—	—	1,700	959	State Employees' Vision Care Program	03	1,387	1,004	1,004
324,092	8,500	-2,036	330,556	314,570	Social Security Tax – State	03	322,377	336,186	336,186
10,824	—	-275	10,549	9,527	Temporary Disability Insurance Liability	03	10,802	10,084	10,084
4,037	—	—	—	—	Unemployment Insurance Liability	03	6,427	7,710	7,710
<u>13,500</u> <sup>S</sup>	<u>—</u>	<u>1,525</u>	<u>19,062</u>	<u>8,497</u>					
1,208,749	10,096	3,814	1,222,659	1,182,268	<i>Total Special Purpose</i>		1,224,737	1,072,404	1,072,404

## LANGUAGE RECOMMENDATIONS

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.

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

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.

Of the amounts hereinabove for the Pension Adjustment Act, such sums as are appropriated in advance for increased retirement benefits for local employee members of State-administered retirement systems shall be repaid to the General Treasury upon reimbursement from local public employers.

Such additional sums as may be required for Unemployment Insurance liability are appropriated as the Director of Budget and Accounting shall determine.

Notwithstanding the provisions of the Pension Adjustment Act, P.L.1985, c.143 (C.43:3B-1 et seq.), pension adjustment benefits for members and beneficiaries of the Consolidated Police and Firemen's Pension Fund shall be paid by the fund. Employer appropriations for these benefits as required under the act shall be paid to the fund.

## 70. GOVERNMENT DIRECTION, MANAGEMENT AND CONTROL

### 74. GENERAL GOVERNMENT SERVICES

#### 9420. STATE CONTINGENCY AND OTHER FUNDS

#### APPROPRIATIONS DATA

(thousands of dollars)

Year Ending June 30, 1996						Year Ending June 30, 1998			
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	1997 Adjusted Approp.	Requested	Recommended
<u>147,913</u>	<u>226</u>	<u>-13,480</u>	<u>134,659</u>	<u>133,036</u>	<b>Distribution by Program</b>				
147,913	226	-13,480	134,659	133,036	State Contingency Fund	04	17,210	38,385	38,385
					<i>Total Appropriation</i>		17,210	38,385	38,385



# INTER-DEPARTMENTAL ACCOUNTS

Year Ending June 30, 1996						Year Ending June 30, 1998			
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	1997 Adjusted Approp.	Requested	Recommended
<b>Distribution by Object</b>									
Special Purpose:									
2,000	—	-2,000	—	—	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 the expense 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	2,000	2,000	2,000
1,500	—	-1,500	—	—	Contingency Funds	04	1,500	1,500	1,500
400	—	—	—	—	Interest On Short Term Notes	04	400	400	400
9,081 <sup>S</sup>	226	—	9,707	8,475	Notes Issuance Expenses – Underwriters Costs	04	600	600	600
600	—	—	600	475	Catastrophic Illness in Children Relief Fund – Employer Contributions	04	110	125	125
110	—	20	130	130	Repayment to the State Disability Benefit Fund for Temporary Disability Insurance	04	—	—	—
13,000	—	—	111,618	111,618	Juvenile Justice Reform Initiative	04	—	—	—
98,618 <sup>S</sup>	—	—	—	—	Statewide 911 Emergency Telephone System	04	12,600	18,760	18,760
10,000	—	-10,000	—	—	Year 2000 Data Processing Initiative	04	—	15,000	15,000
12,604	—	—	12,604	12,338	<i>Total Special Purpose</i>		17,210	38,385	38,385
—	—	—	—	—					
147,913	226	-13,480	134,659	133,036					

## LANGUAGE RECOMMENDATIONS

Unless otherwise indicated, the above amounts 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 appropriated hereinabove to meet any condition of emergency or contingency, as a reward for the capture and return of Joanne Chesimard.

## 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, 1996						Year Ending June 30, 1998			
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	1997 Adjusted Approp.	Requested	Recommended
<b>Distribution by Program</b>									
53,974	2	-40,321	13,655	4,539	Salary Increases and Other Benefits	05	4,500	87,345	87,345
53,974	2	-40,321	13,655	4,539	<i>Total Appropriation</i>		4,500	87,345	87,345
<b>Distribution by Object</b>									
Special Purpose:									
50,674	—	-41,558	9,116	—	Salary Increases and Other Benefits	05	—	88,450	88,450

# INTER-DEPARTMENTAL ACCOUNTS

Year Ending June 30, 1996						Year Ending June 30, 1998			
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended		Prog. Class.	1997 Adjusted Approp.	Requested	Recommended
3,300	2	1,237	4,539	4,539	Unused Accumulated Sick Leave Payments	05	4,500	4,500	4,500
—	—	—	—	—	Statewide Efficiency Initiatives	05	—	-5,605	-5,605
53,974	2	-40,321	13,655	4,539	Total Special Purpose		4,500	87,345	87,345

## LANGUAGE RECOMMENDATIONS

The sums hereinabove appropriated to the various State departments, agencies, commissions, or institutions of higher education 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 other laws, including R.S.34:15-49 and section 1 of P.L.1981, c.353 (C.34:15-49.1), the State Treasurer, the Commissioner of Personnel, 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 Fiscal Year 1998 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.

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 the unclassified personnel of the Judicial Branch.

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

Any sums appropriated for Salaries 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 Director of the Division of Budget and Accounting shall transfer from departmental accounts and credit to the Salary Increases and Other Benefits account a sum of \$5,605,000 from appropriations made to various spending agencies to reflect savings as a result of statewide efficiency initiatives. This additional sum is appropriated for Salary Increases and Other Benefits.

1,705,885	16,274	-56,434	1,665,725	1,607,013	Total Appropriation, Inter-Departmental Accounts	1,535,495	1,467,381	1,467,381
-----------	--------	---------	-----------	-----------	---	-----------	-----------	-----------