

RESOLUTION NO. 19 - 19

**ACCEPTANCE AND APPROVAL OF THE SFY2020
OPERATING BUDGET**

WHEREAS, the New Jersey Infrastructure Bank (the “Bank”) must secure legislative approval of its annual Financial Plans for both the Water Program and the Transportation Program (“Financial Plans” or “May Reports”) pursuant to N.J.S.A. 58:11B-21 and 21.1; and

WHEREAS, the May Reports must include, among other things, a copy of the I-Bank’s approved operating budget; and

WHEREAS, the I-Bank desires to approve its State Fiscal Year (“SFY”) 2020 Operating Budget for inclusion in the State Fiscal Year Financial Plans.

NOW THEREFORE BE IT RESOLVED, after due consideration of all of the items set forth herein the I-Bank hereby adopts the attached SFY2020 Operating Budget.

| | |
|---------------------|---------------------|
| Adopted Date: | April 11, 2019 |
| Motion Made By: | Mr. Roger Ellis |
| Motion Seconded By: | Ms. Kimberly Holmes |
| Ayes: | 7 |
| Nays: | 0 |
| Abstentions: | 0 |

**NEW JERSEY INFRASTRUCTURE BANK
SFY2020 BUDGET**

| REVENUES | | Water Bank | | Transportation Bank | | Combined Total | |
|--|--|-------------------|-------------------|----------------------------|-------------------|-----------------------|-------------------|
| | | 2019 | DRAFT 2020 | 2019 | DRAFT 2020 | 2019 | DRAFT 2020 |
| Admin Fee Total = | | 5,771,497 | 5,589,199 | 400,000 | 800,000 | 6,171,497 | 6,389,199 |
| Loan Surcharge (COI at closing)(Fall Deal - Nov '19) | | 37,500 | 23,000 | - | - | 37,500 | 23,000 |
| Loan Surcharge (COI at closing)(Spring Deal - May '20) | | 50,000 | 35,000 | - | - | 50,000 | 35,000 |
| Loan Surcharge Total = | | 87,500 | 58,000 | 0 | 0 | 87,500 | 58,000 |
| Interest Income (Direct Loans/IFP Loans/SAIL Loans): | | 125,000 | 331,365 | - | 150,000 | 125,000 | 481,365 |
| Interest Income (Investments):* | | 555,000 | 750,000 | 670,625 | 1,291,667 | 1,225,625 | 2,041,667 |
| Other Income Total = | | 680,000 | 1,081,365 | 670,625 | 1,441,667 | 1,350,625 | 2,523,032 |
| TOTAL REVENUES = | | 6,538,997 | 6,728,564 | 1,070,625 | 2,241,667 | 7,609,622 | 8,970,230 |

| EXPENSES | | 2019 | DRAFT 2020 | 2019 | DRAFT 2020 | DRAFT 2019 | DRAFT 2020 | |
|--|---|---------------------------|-------------------|---------------------------------------|-------------------|-------------------|-------------------|------------------|
| | | FINANCING PROGRAMS | Bond Counsel | - Bond/Loan Issuance Costs (M&E, CSG) | 750,000 | 726,200 | 30,000 | 222,000 |
| | - Program / Development Charges (M&E, CSG) | | 400,000 | 300,000 | 350,000 | 290,000 | 750,000 | 590,000 |
| B.C. Total = | | | 1,150,000 | 1,026,200 | 380,000 | 512,000 | 1,530,000 | 1,538,200 |
| Financial Advisor | - Bond/Loan Issuance Costs (TBD, Lamont) | | 166,400 | 153,400 | - | 120,000 | 166,400 | 273,400 |
| | - Program / Development Charges (TBD, Lamont) | | 120,000 | 120,000 | 120,000 | 25,000 | 240,000 | 145,000 |
| F.A. Total = | | | 286,400 | 273,400 | 120,000 | 145,000 | 406,400 | 418,400 |
| Short Term Borrowing Fees and Interest | | | - | 187,500 | - | 287,500 | - | 475,000 |
| Custodial, Trustee and Loan Servicer Fees (Includes UCC Filings) | | | 185,000 | 172,000 | - | 15,000 | 185,000 | 187,000 |
| Rating Service (ST & Bond Programs) | | | 195,750 | 201,500 | - | 79,000 | 195,750 | 280,500 |
| SAIL Program Expenses | | | 30,000 | 40,000 | - | - | 30,000 | 40,000 |
| Master Program Trustee | | | 17,000 | 11,000 | - | - | 17,000 | 11,000 |
| Arbitrage Rebate Services | | | 50,000 | 48,000 | - | - | 50,000 | 48,000 |
| 3rd Party Bond Issuance Expenses (iPREO, Newspapers, POS/OS) | | | 17,000 | 15,000 | - | 5,000 | 17,000 | 20,000 |
| TOTAL FINANCING PROGRAM EXPENSES = | | | 1,931,150 | 1,974,600 | 500,000 | 1,043,500 | 2,431,150 | 3,018,100 |

| | | | | | | | | |
|------------------------|--|--|------------------|------------------|------------------|------------------|------------------|------------------|
| NJIB OPERATIONS | Total Salaries & Fringe (Original) | 2,989,511 | 3,107,725 | 1,355,265 | 1,459,071 | 4,344,776 | 4,566,796 | |
| | a. FTE Salaries (Original) | 1,632,858 | 1,717,176 | 740,240 | 962,857 | 2,373,098 | 2,680,033 | |
| | b. Fringe + DEP Indirect (2020: 51.95% + 20.49%) | 1,356,653 | 1,390,549 | 615,025 | 496,214 | 1,971,678 | 1,886,763 | |
| | I.T. | - Expenses (Hardware, Software, Online Services) | 547,342 | 339,359 | 150,491 | 263,727 | 697,833 | 603,086 |
| | Admin Expenses General (Office supplies, bond buyer, publications, etc.) | | 37,844 | 34,640 | 17,156 | 20,660 | 55,000 | 55,300 |
| | Facilities - Rent & Property Insurance, PSEG | | 108,233 | 100,355 | 49,067 | 59,855 | 157,300 | 160,210 |
| | Investment Advisor (TBD) | | 91,000 | 91,000 | 25,375 | 36,167 | 116,375 | 127,167 |
| | Auditor | - NJIB Financials (CLA LLP) | 41,628 | 15,409 | 18,872 | 9,191 | 60,500 | 24,600 |
| | | - State CW/DW SRF Financials (CLA LLP) | 44,000 | 50,400 | - | - | 44,000 | 50,400 |
| | Internal Control Audit (CohnReznick) | | 110,091 | 100,223 | 49,909 | 59,777 | 160,000 | 160,000 |
| | Accounting System Maintenance & Support | | - | 20,045 | - | 11,955 | - | 32,000 |
| | State Liason Charges (AG/GAU) | | 34,404 | 49,103 | 15,596 | 40,411 | 50,000 | 89,500 |
| | Reports, Publications & Marketing | | 35,023 | 24,364 | 40,877 | 8,236 | 75,900 | 32,600 |
| | Vehicle (Insurance, gasoline, depreciation) | | 10,794 | 9,903 | 4,893 | 4,067 | 15,687 | 13,970 |
| | Depreciation (Other: IT, Furniture, etc) | | 18,775 | 9,811 | 8,512 | 2,073 | 27,287 | 11,884 |
| | Board Member Expense (Bond + misc) | | 5,849 | 5,324 | 2,651 | 3,176 | 8,500 | 8,500 |
| | TOTAL OPERATING EXPENSES = | | 4,074,494 | 3,957,661 | 1,738,664 | 1,978,366 | 5,813,158 | 5,936,013 |

| | | | | | | |
|---|------------------|------------------|------------------|------------------|------------------|------------------|
| TOTAL EXPENDITURES = | 6,005,644 | 5,932,261 | 2,238,664 | 3,021,866 | 8,244,308 | 8,954,113 |
| Anticipated Amount of Appropriations Utilized = | | | 1,450,000 | 1,450,000 | 1,450,000 | 1,450,000 |
| Unencumbered Contingencies (for Direct Loans, etc.) = | \$ 533,354 | \$ 796,303 | \$ 281,961 | \$ 669,801 | \$ 815,314 | \$ 1,466,117 |