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SOMERSET RARITAN VALLEY  
SEWERAGE AUTHORITY

2012

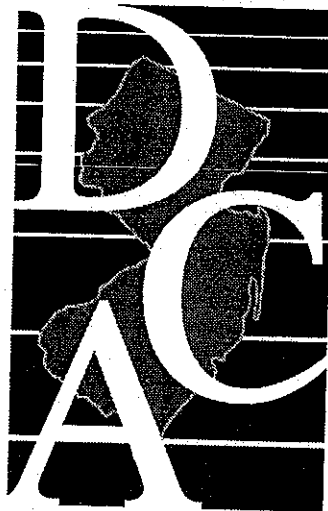
LOCAL GOVERNMENT SERVICES  
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THE SOMERSET RARITAN VALLEY SEWERAGE  
AUTHORITY

JAN 11 2012

# Authority Budget

Department Of



Community  
Affairs

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SOMERSET RARITAN VALLEY  
SEWERAGE AUTHORITY

Division of Local Government Services

2012

JAN 11 2012

**THE SOMERSET RARITAN VALLEY SEWERAGE  
AUTHORITY**

**AUTHORITY BUDGET**

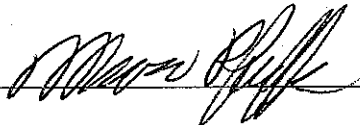
**FISCAL YEAR: FROM January 1, 2012 TO December 31, 2012**

*For Division Use Only*

**CERTIFICATION OF APPROVED BUDGET**

*It is hereby certified that the approved Budget made a part hereof complies with the requirements of law and the rules and regulations of the Local Finance Board, and approval is given pursuant to N.J.S. 40A:5A-11.*

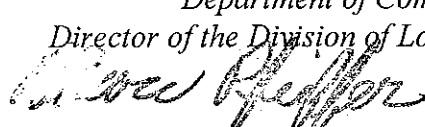
*State of New Jersey  
Department of Community Affairs  
Director of the Division of Local Government Services*

By:  Date: 12/14/11

**CERTIFICATION OF ADOPTED BUDGET**

*It is hereby certified that the adopted Budget made a part hereof has been compared with the approved Budget previously certified by the Division, and any amendments made thereto. This adopted Budget is certified with respect to such amendments and comparisons only.*

*State of New Jersey  
Department of Community Affairs  
Director of the Division of Local Government Services*

By:  Date: 02/24/2012

# 2012 PREPARER'S CERTIFICATION

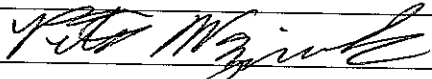
THE SOMERSET RARITAN VALLEY SEWERAGE AUTHORITY  
(Name)

## AUTHORITY BUDGET

FISCAL YEAR: FROM: JANUARY 1, 2012 TO: DECEMBER 31, 2012

It is hereby certified that the Authority Budget, including both the Annual Budget and the Capital Budget/Program annexed hereto, represents the members of the governing body's resolve with respect to statute in that; all estimates of revenue are reasonable, accurate and correctly stated, all items of appropriation are properly set forth and in itemization, form and content, the budget will permit the exercise of the comptroller function within the Authority.

It is further certified that all proposed budgeted amounts and totals are correct. Also, I hereby provide reasonable assurance that all assertions contained herein are accurate and all Supplemental Schedules required are completed and attached.

Preparer's Signature:			
Name:	Peter R. Wozniak		
Title:	Chief Financial Officer		
Address:	PO Box 6400 Polhemus Lane Bridgewater, NJ 08807		
Phone Number:	(732)469-0593 (Ext. 206)	Fax Number:	(732)469-4179
E-mail address	peter.wozniak@srvsa.org		

# 2012 APPROVAL CERTIFICATION


**THE SOMERSET RARITAN VALLEY SEWERAGE AUTHORITY**  
(Name)

## AUTHORITY BUDGET

FISCAL YEAR: FROM: JANUARY 1, 2012 TO: DECEMBER 31, 2012

It is hereby certified that the Authority Budget, including Supplemental Schedules appended hereto, are a true copy of the Annual Budget and Capital Budget/Program approved by resolution by the governing body of The Somerset Raritan Valley Sewerage Authority, at an open public meeting held pursuant to N.J.A.C. 5:31-2.3, on the 7th day of November, 2011.

It is further certified that the recorded vote appearing in the resolution represents a not less than a majority of the full membership of the governing body thereof.

Secretary's Signature:			
Name:	Glen D. Petrauski		
Title:	Executive Director		
Address:	PO Box 6400 Polhemus Lane Bridgewater, NJ 08807		
Phone Number:	(732)469-0593 (Ext. 201)	Fax Number:	(732) 469-4179
E-mail address	glen.petrauski@srvsa.org		

# AUTHORITY INFORMATION SHEET

## 2012

Please complete the following information regarding this Authority:

<b>Name of Authority:</b>	The Somerset Raritan Valley Sewerage Authority		
<b>Address:</b>	PO Box 6400 Polhemus Lane		
<b>City, State, Zip</b>	Bridgewater, NJ 08807		
<b>Phone:</b>	732-469-0593	<b>Fax:</b>	732-469-4179

<b>Preparer's Name:</b>	Peter Wozniak		
<b>Preparer's Address:</b>	PO Box 6400 Polhemus Lane		
<b>City, State, Zip:</b>	Bridgewater, NJ 08807		
<b>Phone:</b>	732-469-0593 (Ext. 206)	<b>Fax:</b>	732-469-4179

<b>Chief Executive Officer:</b>	Glen D. Petrauski, Executive Director		
<b>Phone:</b>	732-469-0593 (Ext. 202)	<b>Fax:</b>	732-469-4179
<b>E-mail:</b>	<a href="mailto:glen.petrauski@srvsa.org">glen.petrauski@srvsa.org</a>		

<b>Chief Financial Officer:</b>	Peter Wozniak		
<b>Phone:</b> 732-469-0593 (Ext. 206)	<b>Fax:</b> 732-469-4179		
<b>E-mail:</b>	<a href="mailto:peter.wozniak@srvsa.org">peter.wozniak@srvsa.org</a>		

<b>Name of Auditor:</b>	Robert J. Butvilla, CPA		
<b>Name of Firm:</b>	Suplee, Clooney & Company		
<b>Address:</b>	308 East Broad Street		
<b>City, State, Zip:</b>	Westfield	NJ	07090-2122
<b>Phone:</b>	908-789-9300	<b>Fax:</b>	908-789-8535
<b>E-mail:</b>	<a href="mailto:rbutvilla@scnco.com">rbutvilla@scnco.com</a>		

<b>Membership of Board of Commissioners (Full Name)</b>	<b>Title</b>
Alessandro Fischetti, Jr.	Member
Alvin Florey	Member
Roger A. Guttschall	<b>Chairman</b>
Kenneth Lee	Member
Joseph J. Lifrieri	Member
Edward J. Machala	Member
Robert McCray	Member
Philip E. Petrone	Member
William A. Poch, Sr.	Member
Gail Quabeck	<b>Treasurer</b>
Arthur Quade	Member
Peter F. Stires	<b>Secretary</b>
Peter Van Riper	<b>Vice-Chairman</b>
Herbert Vollers	Member

## 2012 Authority Budget Resolution

### THE SOMERSET RARITAN VALLEY SEWERAGE AUTHORITY

**FISCAL YEAR: FROM January 1, 2012 TO December 31, 2012**

WHEREAS, the Annual Budget and Capital Budget for The Somerset Raritan Valley Sewerage Authority for the fiscal year beginning, January 1, 2012 and ending, December 31, 2012 has been presented before the governing body of The Somerset Raritan Valley Sewerage Authority at its open public meeting of November 7, 2011 (Meeting rescheduled from October 24, 2011); and

WHEREAS, the Annual Budget as introduced reflects Total Revenues of \$16,733,440.00, Total Appropriations, including any Accumulated Deficit if any, of \$16,733,440.00 and Total Unrestricted Net Assets utilized of \$ -0- and

WHEREAS, the Capital Budget as introduced reflects Total Capital Appropriations of \$1,103,500.00 and Total Unrestricted Net Assets planned to be utilized as funding thereof, of \$ -0-; and

WHEREAS, the schedule of rates, fees and other charges in effect will produce sufficient revenues, together with all other anticipated revenues to satisfy all obligations to the holders of bonds of the Authority, to meet operating expenses, capital outlays, debt service requirements, and to provide for such reserves, all as may be required by law, regulation or terms of contracts and agreements; and

WHEREAS, the Capital Budget/Program, pursuant to N.J.A.C. 5:31-2, does not confer any authorization to raise or expend funds; rather it is a document to be used as part of the said Authority's planning and management objectives. Specific authorization to expend funds for the purposes described in this section of the budget, must be granted elsewhere; by bond resolution, by a project financing agreement, by resolution appropriating funds from the Renewal and Replacement Reserve or other means provided by law.

NOW, THEREFORE BE IT RESOLVED, by the governing body of The Somerset Raritan Valley Sewerage Authority, at an open public meeting held on November 7, 2011 that the Annual Budget, including appended Supplemental Schedules, and the Capital Budget/Program of The Somerset Raritan Valley Sewerage Authority for the fiscal year beginning, January 1, 2012 and ending, December 31, 2012 is hereby approved; and

BE IT FURTHER RESOLVED, that the anticipated revenues as reflected in the Annual Budget are of sufficient amount to meet all proposed expenditures/expenses and all covenants, terms and provisions as stipulated in the said Authority's outstanding debt obligations, capital lease arrangements, service contracts, and other pledged agreements; and

BE IT FURTHER RESOLVED, that the governing body of The Somerset Raritan Valley Sewerage Authority will consider the Annual Budget and Capital Budget/Program for adoption on December 19, 2011.

INTRODUCED BY: Gail Quabeck

SECONDED BY: Joseph Lifrieri



(Secretary's Signature)

11/10/2011

(Date)

Governing Body Member:	Recorded Vote	Aye	Nay	Abstain	Absent
Arthur Quade	X				
Alessandro Fischetti, Jr.	X				
Edward J. Machala	X				
Philip Petrone	X				
Peter F. Stires	X				

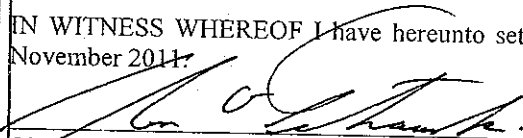
Res. No. 11-1024-10  
(Meeting Rescheduled to November 7, 2011)  
Approved FY 2012 Budget  
Page 2a

Governing Body Member:	Recorded Vote			
	Aye	Nay	Abstain	Absent
Alvin Florey				X
Herbert Vollers				X
Peter Van Riper	X			
Robert McCray				X
Joseph J. Lifreri	X			
William A. Poch, Sr.				X
Gail Quabeck	X			
Kenneth Lee				X
Roger Guttschall	X			

CERTIFICATION

I, GLEN D. PETRAUSKI, Executive Director and Certifying Agent of The Somerset Raritan Valley Sewerage Authority, HEREBY CERTIFY that the foregoing is a true copy of a Resolution adopted at a Regular Meeting of the Authority held on the 24<sup>th</sup> day of October 2011 (Meeting Rescheduled to November 7, 2011) as the same appears on record in the Minute Book of The Authority.

IN WITNESS WHEREOF I have hereunto set my hand and affixed the Seal of the Authority this 9<sup>th</sup> day of November 2011.

  
Glen D. Petrauski  
Executive Director

GDP/rel

# BUDGET MESSAGE 2012

THE SOMERSET RARITAN VALLEY SEWERAGE AUTHORITY  
(Name)

## AUTHORITY BUDGET

**FISCAL YEAR: FROM January 1, 2012 TO December 31, 2012**

1. Complete a brief statement on the 2012 proposed Annual Budget and make comparison to the current year's adopted budget. Explain significant increases or decreases, if any.

The FY 2012 Budget is 1.6% lower than the FY 2011 budget. Costs for electricity are still low due to the excellent bid price that the Utility Energy Aggregation obtained. However, our contract is up in May and we have anticipated a small increase in energy costs.

Additionally, in the Budget the Authority was able to take advantage of a decrease in Debt Service in 2012 that will not be needed at this time. New Debt Service for planned capital projects will not be required until 2013 with the construction of the project to renovate and upgrade Incinerator No.1 and parts of Incinerator No. 2.

The funds from the decrease in Debt Service are also being used to fund a rate stabilization account to address revenue shortfalls that occur when participant and customer flows are less than the estimated flow amount used to develop the Authority annual budget.

2. Complete a brief statement on the impact the proposed Annual Budget will have on Anticipated Revenues, especially service charges and on the general purpose/component unit financial statements. Explain significant increases or decreases, if any.

The FY 2012 Budget does not contain an increase in the User Fee or use any Retained Earnings in the proposed Budget. Interest earnings remain low again for FY 12. The Authority is continuing to take steps to improve our financial ability to weather the current economic downturn and improve our cash management plan to address possible late payments by our participants.

3. Describe the state of the local/regional economy and how it may impact the proposed Annual Budget, including the planned Capital Budget/Program.

The local economy is recovering very slowly from the recession. The number of new and redevelopment projects being proposed or implemented has continued to be depressed over past years. The Authority, however, continues to foresee a demand for sewer service within our Service Area as set forth in the new County Wastewater Document due to redevelopment when the economy improves. In anticipation of future sewer use needs, the Authority has developed and continues to update our Capital Plan which interlocks with our Long-Term Financial Plan.



4. Describe the reasons for utilizing Unrestricted Net Assets in the proposed Annual Budget; i.e. rate stabilization, debt service reduction, to balance the budget, etc.

The FY 12 Budget does not use any Retained Earnings to balance the FY 12 Budget.

5. If the proposed Annual Budget contains an Accumulated Deficit either existing or anticipated, pursuant to N.J.S.A. 40A:5A-12, then an explanation as to reasons for occurrence must be disclosed.

No accumulated deficit currently exists or is anticipated to occur.

2012

**AUTHORITY BUDGET**

(OPERATION)

SOMERSET RARITAN VALLEY SA

FISCAL YEAR: FROM JANUARY 1ST, 2012 TO DECEMBER 31, 2012

---ANTICIPATED REVENUES---

<b>OPERATING REVENUES</b> -----	<b>CROSS REF.</b> -----	<b>2012 PROPOSED BUDGET</b> -----	<b>2011 CURRENT YEAR'S ADOPTED BUDGET</b> -----
SERVICE CHARGES	* A-1 *	\$15,697,940 *	\$15,967,647 *
CONNECTION FEES	* A-2 *	\$350,000 *	\$350,000 *
PARKING FEES	* A-3 *		
OTHER OPERATING REVENUES	* A-4 *	\$668,000 *	\$645,000 *
<b>TOTAL OPERATING REVENUES</b>	* R-1 *	<b>\$16,715,940 *</b>	<b>\$16,962,647 *</b>
<b>NON-OPERATING REVENUES</b> -----	<b>CROSS REF.</b> -----	<b>2012 PROPOSED BUDGET</b> -----	<b>2011 CURRENT YEAR'S ADOPTED BUDGET</b> -----
OPERATING GRANTS & ENTITLEMENTS	* A-5 *		
LOCAL SUBSIDIES & DONATIONS	* A-6 *		
INTEREST ON INVESTMENTS AND DEPOSIT	* A-7 *	\$17,500 *	\$49,000 *
OTHER NON-OPERATING REVENUES	* A-8 *		
<b>TOTAL NON-OPERATING REVENUES</b>	* R-2 *	<b>\$17,500 *</b>	<b>\$49,000 *</b>
<b>TOTAL ANTICIPATED REVENUES</b> (R-1 + R-2)	* B-1 *	<b>\$16,733,440 *</b>	<b>\$17,011,647 *</b>

2012

**AUTHORITY BUDGET**

(OPERATION)

SOMERSET RARITAN VALLEY SA

FISCAL YEAR: FROM JANUARY 1ST, 2012 TO DECEMBER 31, 2012

**---BUDGETED APPROPRIATIONS---**

**--OPERATING APPROPRIATIONS--**

<u>ADMINISTRATION</u>	<u>CROSS REF.</u>	<u>2012 PROPOSED BUDGET</u>	<u>2011 CURRENT YEAR'S ADOPTED BUDGET</u>
SALARY & WAGES	* *	\$690,347 *	\$722,430 *
FRINGE BENEFITS	* *	\$276,605 *	\$282,501 *
OTHER EXPENSES	* *	\$1,120,375 *	\$1,145,650 *
<b>TOTAL ADMINISTRATION</b>	* E-1 *	<b>\$2,087,327 *</b>	<b>\$2,150,581 *</b>
<u>COST OF PROVIDING SERVICES</u>	<u>CROSS REF.</u>	<u>2012 PROPOSED BUDGET</u>	<u>2011 CURRENT YEAR'S ADOPTED BUDGET</u>
SALARY & WAGES	* *	\$3,556,941 *	\$3,570,646 *
FRINGE BENEFITS	* *	\$1,425,177 *	\$1,396,276 *
OTHER EXPENSES	* *	\$6,224,750 *	\$5,477,175 *
<b>TOTAL COST OF PROVIDING SERVICES</b>	* E-2 *	<b>\$11,206,868 *</b>	<b>\$10,444,097 *</b>
<b>TOTAL PRINCIPAL PAYMENTS ON DEBT SERVICE IN LIEU OF DEPRECIATION</b>	* D-1 *	<b>\$2,382,922 *</b>	<b>\$2,558,447 *</b>
<b>TOTAL OPERATING APPROPRIATIONS (E-1 + E-2 + D-1)</b>	* B-2 *	<b>\$15,677,117 *</b>	<b>\$15,153,125 *</b>

2012

**AUTHORITY BUDGET**

(OPERATION)

SOMERSET RARITAN VALLEY SA

FISCAL YEAR: FROM JANUARY 1ST, 2012 TO DECEMBER 31, 2012

**---BUDGETED APPROPRIATIONS---**

**--NON-OPERATING APPROPRIATIONS--**

		CROSS		2012	2011
		REF.		PROPOSED	CURRENT YEAR'S
				BUDGET	ADOPTED
					BUDGET
TOTAL INTEREST PAYMENTS ON DEBT	*	D-2	*	\$642,962	\$1,058,846
OPERATIONS & MAINTENANCE RESERVE	*		*		
RENEWAL & REPLACEMENT RESERVE(S)	*	C-1	*	\$350,000	\$350,000
MUNICIPALITY/COUNTY APPROPRIATION	*		*		
OTHER RESERVES	*	C-2	*	\$63,361	\$449,676
<b>TOTAL NON-OPERATING APPROPRIATIONS</b>	*	<b>B-3</b>	*	<b>\$1,056,323</b>	<b>\$1,858,522</b>
<b>ACCUMULATED DEFICIT</b>	*	<b>B-4</b>	*		
<b>TOTAL OPERATING &amp; NON-OPERATING APPROPRIATIONS &amp; ACCUMULATED DEFICIT (B-2 + B-3 + B-4)</b>	*	<b>B-5</b>	*	<b>\$16,733,440</b>	<b>\$17,011,647</b>
UNRESTRICTED NET ASSETS UTILIZED:					
MUNICIPALITY/COUNTY APPROPRIATION	*	R-3a	*		
OTHER	*	R-3b	*		
<b>LESS: TOTAL UNRESTRICTED NET ASSETS UTILIZED (R-3a + R-3b)</b>	*	<b>R-3</b>	*		
<b>NET TOTAL APPROPRIATIONS (B-5 - R-3)</b>	*	<b>B-6</b>	*	<b>\$16,733,440</b>	<b>\$17,011,647</b>

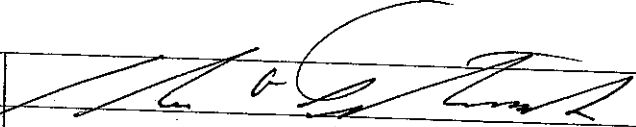
# 2012 ADOPTION CERTIFICATION

THE SOMERSET RARITAN VALLEY SEWERAGE AUTHORITY  
(Name)

## AUTHORITY BUDGET

FISCAL YEAR: FROM: Jan. 1, 2012 TO: Dec. 31, 2012

It is hereby certified that the Authority Budget and Capital Budget/Program annexed hereto is a true copy of the Budget adopted by the governing body of the SRVSA Authority, pursuant to N.J.A.C. 5:31-2.3, on the 19<sup>th</sup> day of December, 2011.

Secretary's Signature:			
Name:	Glen D. Petrauski		
Title:	Executive Director		
Address:	PO Box 6400 Polhemus Lane, Bridgewater, NJ 08807		
Phone Number:	732-469-0593x202	Fax Number:	732-469-4179
E-mail address	glen.petrauski@srvsa.org		

# 2011 ADOPTED BUDGET RESOLUTION

## THE SOMERSET RARITAN VALLEY SEWERAGE AUTHORITY

**FISCAL YEAR: FROM January 1, 2012 TO December 31, 2012**

WHEREAS, the Annual Budget and Capital Budget/Program for The Somerset Raritan Valley Sewerage Authority for the fiscal year beginning January 1, 2012 and ending, December 31, 2012 has been presented for adoption before the governing body of The Somerset Raritan Valley Sewerage Authority at its open public meeting of December 19, 2011; and

WHEREAS, the Annual Budget and Capital Budget as presented for adoption reflects each item of revenue and appropriation in the same amount and title as set forth in the introduced and approved budget, including all amendments thereto, if any, which have been approved by the Director of the Division of Local Government Services; and

WHEREAS, the Annual Budget as presented for adoption reflects Total Revenues of \$16,733,440.00, Total Appropriations, including any Accumulated Deficit, if any, of \$16,733,440.00 and Total Unrestricted Net Assets utilized of \$0.00; and

WHEREAS, the Capital Budget as presented for adoption reflects Total Capital Appropriations of \$1,103,500.00 and Total Unrestricted Net Assets planned to be utilized of \$0.00; and

NOW, THEREFORE BE IT RESOLVED, by the governing body of The Somerset Raritan Valley Sewerage Authority, at an open public meeting held on December 19, 2011 that the Annual Budget and Capital Budget/Program of The Somerset Raritan Valley Sewerage Authority for the fiscal year beginning, January 1, 2012 and, ending, December 31, 2012 is hereby adopted and shall constitute appropriations for the purposes stated; and

BE IT FURTHER RESOLVED, that the Annual Budget and Capital Budget/Program as presented for adoption reflects each item of revenue and appropriation in the same amount and title as set forth in the introduced and approved budget, including all amendments thereto, if any, which have been approved by the Director of the Division of Local Government Services.



(Secretary's Signature)

12/20/2011  
(Date)

INTRODUCED BY: Gail Quabeck  
SECONDED BY: Peter Van Riper

Governing Body Member:	Aye	Nay	Abstain	Absent
Arthur Quade	X			
Alessandro Fischetti, Jr.	X			
Edward J. Machala	X			
Philip Petrone	X			
Peter F. Stires	X			

Governing Body Member:	Aye	Recorded Vote		
		Nay	Abstain	Absent
Herbert Vollers				X
Peter Van Riper	X			
Robert McCray	X			
Joseph J. Lifrieri	X			
Gail Quabeck	X			
Kenneth Lee				X
Roger Guttschall	X			

CERTIFICATION

I, GLEN D. PETRAUSKI, Executive Director and Certifying Agent of The Somerset Raritan Valley Sewerage Authority, HEREBY CERTIFY that the foregoing is a true copy of a Resolution adopted at a Regular Meeting of the Authority held on the 19th day of December 2011, as the same appears on record in the Minute Book of The Authority.

IN WITNESS WHEREOF I have hereunto set my hand and affixed the Seal of the Authority this 20th day of December 2011.



Glen D. Petruski  
Executive Director

GDP/rei

# 2012

THE SOMERSET RARITAN VALLEY SEWERAGE AUTHORITY

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(Name)

# AUTHORITY CAPITAL BUDGET/ PROGRAM



# 2012 CERTIFICATION of AUTHORITY CAPITAL BUDGET/PROGRAM

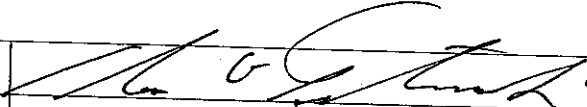
THE SOMERSET RARITAN VALLEY SEWERAGE AUTHORITY  
(Name)

FISCAL YEAR: FROM: 1/01/2012 TO: 12/31/2012

It is hereby certified that the Authority Capital Budget/Program annexed hereto is a true copy of the Capital Budget/Program approved, pursuant to N.J.A.C. 5:31-2.2, along with the Annual Budget, by the governing body of the SRVSA Authority, on the 7th day of November, 2011.

**OR**

It is further certified that the governing body of the \_\_\_\_\_ Authority have elected **NOT** to adopt a Capital Budget /Program for the aforesaid fiscal year, pursuant to N.J.A.C. 5:31-2.2 for the following reason(s): \_\_\_\_\_

Secretary's Signature:			
Name:	Glen D. Petruski		
Title:	Executive Director		
Address:	PO Box 6400 - Polhemus Lane Bridgewater, NJ 08807		
Phone Number:	732-469-0593	Fax Number:	732-469-4179
E-mail address	glen.petruski@srvsa.org		

# 2012 CAPITAL BUDGET/PROGRAM MESSAGE

## THE SOMERSET RARITAN VALLEY SEWERAGE AUTHORITY

FISCAL YEAR: From January 1, 2012 to December 31, 2012

1. Has each municipality or county affected by the actions of the Authority participated in the development of the capital plan and reviewed or approved the plans or projects included within the Capital Budget/Program?

Yes. Each municipality or MUA/SA within the Authority service area is represented by two (2) representatives of that community on the Authority Board of Commissioners. The Authority Board of Commissioners participate in and approve all Capital Plans and Projects.

2. Has each capital project/project financing been developed from a specific capital improvements plan or report; does it include full lifecycle costs, and is it consistent with appropriate elements of Master Plans or other plans in the jurisdictions served by the Authority?

All capital projects have been developed from specific plans or reports. Lifecycle costs have not been developed for all projects. Yes, the capital projects are consistent with the appropriate portion of master plans or other planning documents that address wastewater treatment needs in our Service Area.

3. Has a long-term (10-20 years) infrastructure needs assessment or other capital plan with a horizon beyond six years been prepared?

Yes, through the year 2018. Currently the Authority is implementing completion of its current strategic plan and has been begun the background study for the development of its new plan.

4. Describe the projected impacts of the proposed capital projects, including impact on the schedule of rates, fees, and service charges and the impact on current and future year's schedules.

When the Authority developed its Capital Plan it also developed a Long-Term Financial Plan that interlocks with the Capital Plan. Under the Financial Plan the Authority has scheduled and structured the new debt that it will be incurring for Capital Projects to coincide with the retiring of previous bonds that have reached their maturity. By using this approach the Authority's level of Debt Service supported by the Authority User Rate will remain stable since new debt payments will be replacing the old Debt Service payments.

Add additional sheets if necessary

5. Please indicate which capital projects/project financings are being undertaken in the Metropolitan or Suburban Planning Areas as defined in the State Development and Redevelopment Plan.

All capital projects being undertaken are contained in either Planning Areas 1 and 2 or in State Plan designated growth centers one of which is composed of portions of Bridgewater Township, the Borough of Raritan and the Borough of Somerville. The other center is located in the Borough of Manville.

6. Please indicate which capital projects/project financings are being undertaken within the boundary of a State Planning Commission-designated Center and/or Endorsed Plan and if the project was included in the Plan Implementation Agenda for that Center/Endorsed Plan?

The capital projects contained in the budget are for treatment process improvements and equipment rehabilitation and maintenance and interlock with the Service Area in that the sewer capacity needs, as determined by the Wastewater Management Plan, are being addressed.

Add additional sheets if necessary.

2012

**AUTHORITY CAPITAL BUDGET**

(OPERATION)

SOMERSET RARITAN VALLEY SA

FISCAL YEAR: FROM JANUARY 1ST, 2012 TO DECEMBER 31, 2012

PROPOSED YEAR'S CAPITAL IMPROVEMENT PLAN

PROJECTS	ESTIMATED TOTAL COST	FUNDING SOURCES			
		UNRESTRICTED NET ASSETS	RENEWAL & REPLACEMENT RESERVE	DEBT AUTHORIZATION	OTHER SOURCES
A Removal of UST	\$50,000		\$50,000		
B CSP Study	\$50,000		\$50,000		
C Handicap Access Ramp	\$100,000		\$100,000		
D Incinerator #1 Rebuild	\$200,000		\$200,000		
E R-4 Overflow Project	\$150,000		\$150,000		
F Vehicle	\$75,000				\$75,000
G Tube Bundle Rebuild	\$200,000				\$200,000
H New Roof 600 Building	\$190,000				\$190,000
I Air Compressor	\$16,000				\$16,000
J Grinder Pump	\$16,500				\$16,500
K Air Receiver Tank	\$11,000				\$11,000
L Storm Control Well Est.	\$20,000				\$20,000
M Odor Control Vessel Tank	\$25,000				\$25,000
N					
<b>TOTAL</b>	<b>\$1,103,500</b>		<b>\$550,000</b>		<b>\$553,500</b>

2012

**AUTHORITY CAPITAL PROGRAM**

(OPERATION)

SOMERSET RARITAN VALLEY SA

FISCAL YEAR: FROM JANUARY 1ST, 2012 TO DECEMBER 31, 2012

**5 YEAR CAPITAL IMPROVEMENT PLAN COSTS**

<u>PROJECTS</u>	<u>ESTIMATED TOTAL COST</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
A Removal of UST	\$50,000	\$50,000				
B CSP Study	\$50,000	\$50,000				
C Handicap Access Ramp	\$100,000	\$100,000				
D Incinerator #1 Rebuild	\$7,200,000	\$200,000	\$7,000,000			
E R-4 Overflow Project	\$5,150,000	\$150,000	\$5,000,000			
F Vehicle	\$180,000	\$75,000	\$30,000	\$35,000		\$40,000
G Tube Bundle Rebuild	\$200,000	\$200,000				
H New Roof 600 Building	\$190,000	\$190,000				
I Air Compressor	\$16,000	\$16,000				
J Grinder Pump	\$16,500	\$16,500				
K Air Receiver Tank	\$11,000	\$11,000				
L Storm Control Well Est.	\$20,000	\$20,000				
M Odor Control Vessel Tank	\$25,000	\$25,000				
N Headworks Rebuild	\$250,000		\$50,000	\$200,000		
O Frequency Drive Conv.	\$25,000		\$25,000			
P Belt Press Rebuild	\$260,000		\$130,000	\$130,000		
Q Laboratory Upgrade	\$100,000		\$100,000			
R Building & Road Repair	\$200,000		\$50,000	\$50,000	\$50,000	\$50,000
<b>TOTAL</b>	<b>\$14,043,500</b>	<b>\$1,103,500</b>	<b>\$12,385,000</b>	<b>\$415,000</b>	<b>\$50,000</b>	<b>\$90,000</b>

2012

**AUTHORITY CAPITAL PROGRAM**

(OPERATION)

SOMERSET RARITAN VALLEY SA

FISCAL YEAR: FROM JANUARY 1ST, 2012 TO DECEMBER 31, 2012

5 YEAR CAPITAL PLAN FUNDING SOURCES: From 2012 to 2016

PROJECTS	ESTIMATED TOTAL COST	FUNDING SOURCES			
		UNRESTRICTED NET ASSETS	RENEWAL & REPLACEMENT RESERVE	DEBT AUTHORIZATION	OTHER SOURCES
A Removal of UST	\$50,000		\$50,000		
B CSP Study	\$50,000		\$50,000		
C Handicap Access Ramp	\$100,000		\$100,000		
D Incinerator #1 Rebuild	\$7,200,000		\$200,000	\$7,000,000	
E R-4 Overflow Project	\$5,150,000		\$150,000	\$5,000,000	
F Vehicle	\$180,000				\$180,000
G Tube Bundle Rebuild	\$200,000				\$200,000
H New Roof 600 Building	\$190,000				\$190,000
I Air Compressor	\$16,000				\$16,000
J Grinder Pump	\$16,500				\$16,500
K Air Receiver Tank	\$11,000				\$11,000
L Storm Control Well Est.	\$20,000				\$20,000
M Odor Control Vessel Tank	\$25,000				\$25,000
N Headworks Rebuild	\$250,000				\$250,000
O Frequency Drive Conv.	\$25,000				\$25,000
P Belt Press Rebuild	\$260,000				\$260,000
Q Laboratory Upgrade	\$100,000		\$100,000		
R Building & Road Repair	\$200,000		\$200,000		
<b>TOTAL</b>	<b>\$14,043,500</b>		<b>\$850,000</b>	<b>\$12,000,000</b>	<b>\$1,193,500</b>

2012

THE SOMERSET RARITAN VALLEY SEWERAGE AUTHORITY

(Name)

AUTHORITY

SUPPLEMENTAL SCHEDULES

STATE OF NEW JERSEY

DIVISION OF LOCAL GOVERNMENT SERVICES

2012

**AUTHORITY BUDGET**  
**SUPPLEMENTAL SCHEDULES**

(OPERATION)

SOMERSET RARITAN VALLEY SA

FISCAL YEAR: FROM JANUARY 1ST, 2012 TO DECEMBER 31, 2012

==== OPERATING REVENUES ====

---SERVICE CHARGES---	CROSS REF.	# UNITS	2012 PROPOSED ANNUAL COLLECTION	# UNITS	2011 CURRENT YEAR'S ADOPTED BUDGET
RESIDENTIAL	*	*		*	*
BUSINESS/COMMERCIAL	*	*		*	*
INDUSTRIAL	*	*		*	*
INTERGOVERNMENTAL	*	*	\$15,697,940	*	\$15,967,647
OTHER	*	*		*	*
<b>TOTAL SERVICE CHARGES</b>	* A-1	*	<b>\$15,697,940</b>	*	<b>\$15,967,647</b>

---CONNECTION FEES---	CROSS REF.	# UNITS	2012 PROPOSED ANNUAL COLLECTION	# UNITS	2011 CURRENT YEAR'S ADOPTED BUDGET
RESIDENTIAL	*	*	\$350,000	*	\$350,000
BUSINESS/COMMERCIAL	*	*		*	*
INDUSTRIAL	*	*		*	*
INTERGOVERNMENTAL	*	*		*	*
OTHER	*	*		*	*
<b>TOTAL CONNECTION FEES</b>	* A-2	*	<b>\$350,000</b>	*	<b>\$350,000</b>

\* INCLUDE ALL APPLICABLE RATE SCHEDULES TO SUPPORT SUCH FEES  
 PAGE SS-1



2012

**AUTHORITY BUDGET**  
**SUPPLEMENTAL SCHEDULES**

(OPERATION)

SOMERSET RARITAN VALLEY SA

FISCAL YEAR: FROM JANUARY 1ST, 2012 TO DECEMBER 31, 2012

==== OPERATING REVENUES ====

---PARKING FEES---	CROSS REF.	# UNITS	2012 PROPOSED ANNUAL COLLECTION	# UNITS	2011 CURRENT YEAR'S ADOPTED BUDGET
METERS	*	*		*	*
PERMITS	*	*		*	*
FINES/PENALTIES	*	*		*	*
OTHER	*	*		*	*
<b>TOTAL PARKING FEES</b>	<b>*</b>	<b>A-3</b>		<b>*</b>	
-----					
====					
---OTHER OPERATING REVENUES---	CROSS REF.		2012 PROPOSED ANNUAL COLLECTION		2011 CURRENT YEAR'S ADOPTED BUDGET
<b>LIST IN DETAIL:</b>					
REVIEW FEES	*	*	\$2,000	*	\$3,000
SEPTAGE & SLUDGE	*	*	\$480,000	*	\$450,000
IPP PROGRAM	*	*	\$140,000	*	\$140,000
GROUNDWATER DISCHARGE	*	*	\$45,000	*	\$51,000
MISCELLANEOUS	*	*	\$1,000	*	\$1,000
<b>TOTAL OTHER REVENUES</b>	<b>*</b>	<b>A-4</b>	<b>\$668,000</b>	<b>*</b>	<b>\$645,000</b>
-----					
====					

\* INCLUDE ALL APPLICABLE RATE SCHEDULES TO SUPPORT SUCH FEES  
 PAGE SS-2

2012

**AUTHORITY BUDGET  
SUPPLEMENTAL SCHEDULES**

(OPERATION)

SOMERSET RARITAN VALLEY SA

FISCAL YEAR: FROM JANUARY 1ST, 2012 TO DECEMBER 31, 2012

==== NON-OPERATING REVENUES ====

---GRANTS &--- ---ENTITLEMENTS---	CROSS REF.	2012 PROPOSED BUDGET	2011 CURRENT YEAR'S ADOPTED BUDGET
LIST IN DETAIL:	*	*	*
	*	*	*
	*	*	*
	*	*	*
TOTAL GRANTS & ENT.	* A-5 *	=====	=====

---LOCAL SUBSIDIES--- ---& DONATIONS---	CROSS REF.	2012 PROPOSED BUDGET	2011 CURRENT YEAR'S ADOPTED BUDGET
LIST IN DETAIL:	*	*	*
	*	*	*
	*	*	*
	*	*	*
TOTAL SUB. & DONATIONS	* A-6 *	=====	=====

2012

**AUTHORITY BUDGET  
SUPPLEMENTAL SCHEDULES**

(OPERATION)

SOMERSET RARITAN VALLEY SA

FISCAL YEAR: FROM JANUARY 1ST, 2012 TO DECEMBER 31, 2012

==== NON-OPERATING APPROPRIATIONS ====

---RENEWAL &---  
---REPLACEMENT RESERVE(S)---

	CROSS REF.	2012 PROPOSED BUDGET	2011 CURRENT YEAR'S ADOPTED BUDGET
LIST IN DETAIL:			
REPLACEMENT RESERVE	* *	\$350,000 *	\$350,000 *
	* *		*
	* *		*
	* *		*
TOTAL RENEWAL & REPLACEMENT RESERVE(S)	* C-1 *	\$350,000 *	\$350,000 *

---OTHER RESERVES---

	CROSS REF.	2012 PROPOSED BUDGET	2011 CURRENT YEAR'S ADOPTED BUDGET
LIST IN DETAIL:			
RATE STABILIZATION RESERVE	* *	\$63,361 *	\$449,676 *
	* *		*
	* *		*
	* *		*
TOTAL OTHER RESERVES	* C-2 *	\$63,361 *	\$449,676 *

2012

**AUTHORITY BUDGET**  
**SUPPLEMENTAL SCHEDULES**

(OPERATION)

SOMERSET RARITAN VALLEY SA

FISCAL YEAR: FROM JANUARY 1ST, 2012 TO DECEMBER 31, 2012

==== BUDGETED DEBT SERVICE REQUIREMENTS ====

---PRINCIPAL PAYMENTS---

	CROSS REF.	2012 PROPOSED BUDGET	2011 CURRENT YEAR'S ADOPTED BUDGET
AUTHORITY NOTES	* P-1 *		
AUTHORITY BONDS	* P-2 *	\$250,000	\$230,000
CAPITAL LEASES	* P-3 *		
INTERGOVERN. LOANS	* P-4 *	\$2,132,922	\$2,328,447
OTHER OBLIGATIONS	* P-5 *		
<b>TOTAL PRINCIPAL PAYMENTS</b>	<b>* D-1 *</b>	<b>\$2,382,922</b>	<b>\$2,558,447</b>

---INTEREST PAYMENTS---

	CROSS REF.	2012 PROPOSED BUDGET	2011 CURRENT YEAR'S ADOPTED BUDGET
AUTHORITY NOTES	* I-1 *		
AUTHORITY BONDS	* I-2 *	\$20,628	\$51,480
CAPITAL LEASES	* I-3 *		
INTERGOVERN. LOANS	* I-4 *	\$622,334	\$1,007,366
OTHER OBLIGATIONS	* I-5 *		
<b>TOTAL INTEREST PAYMENTS</b>	<b>* D-2 *</b>	<b>\$642,962</b>	<b>\$1,058,846</b>

2012

**AUTHORITY BUDGET**  
SUPPLEMENTAL SCHEDULES

(OPERATION)

SOMERSET RARITAN VALLEY SA

FISCAL YEAR: FROM JANUARY 1ST, 2012 TO DECEMBER 31, 2012

==== NON-OPERATING REVENUES ====

---INTEREST ON INVESTMENTS---  
---AND DEPOSITS---

	CROSS REF.	2012 PROPOSED BUDGET	2011 CURRENT YEAR'S ADOPTED BUDGET
INVESTMENTS	* *	\$17,500 *	\$49,000 *
SECURITY DEPOSITS	* *		
PENALTIES	* *		
OTHER INVESTMENTS	* *		
TOTAL INTEREST ON INVESTMENTS & DEPOSITS	* A-7 *	\$17,500 *	\$49,000 *

---OTHER NON-OPERATING REVENUES---

	CROSS REF.	2012 PROPOSED BUDGET	2011 CURRENT YEAR'S ADOPTED BUDGET
LIST IN DETAIL:	* *		
	* *		
	* *		
	* *		
	* *		
TOTAL OTHER REVENUES	* A-8 *		

2012

**AUTHORITY BUDGET**

(OPERATION)

SUPPLEMENTAL SCHEDULES

SOMERSET RARITAN VALLEY SA

FISCAL YEAR: FROM JANUARY 1ST, 2012 TO DECEMBER 31, 2012

5 YEAR DEBT SERVICE SCHEDULE

PRINCIPAL PAYMENTS	YEARS					
	Prior Year 2011	2012	2013	2014	2015	2016
--AUTHORITY NOTES--	*	*	*	*	*	*
	*	*	*	*	*	*
	*	*	*	*	*	*
	*	*	*	*	*	*
<b>TOTAL PAYMENTS P-1</b>	*	*	*	*	*	*
--AUTHORITY BONDS--						
1998 A	* \$230,000 *	* \$250,000 *	* \$290,000 *	*	*	*
	*	*	*	*	*	*
	*	*	*	*	*	*
<b>TOTAL PAYMENTS P-2</b>	* \$230,000 *	* \$250,000 *	* \$290,000 *	*	*	*
--AUTHORITY CAPITAL LEASES--						
	*	*	*	*	*	*
	*	*	*	*	*	*
	*	*	*	*	*	*
<b>TOTAL PAYMENTS P-3</b>	*	*	*	*	*	*
--AUTHORITY INTERGOVERNMENTAL LOANS--						
NJEIT	* \$2,328,447 *	* \$2,132,922 *	* \$2,176,568 *	* \$2,227,380 *	* \$2,263,016 *	* \$2,317,287 *
	*	*	*	*	*	*
	*	*	*	*	*	*
<b>TOTAL PAYMENTS P-4</b>	* \$2,328,447 *	* \$2,132,922 *	* \$2,176,568 *	* \$2,227,380 *	* \$2,263,016 *	* \$2,317,287 *
--AUTHORITY OBLIGATIONS (LIST)--						
	*	*	*	*	*	*
	*	*	*	*	*	*
	*	*	*	*	*	*
<b>TOTAL PAYMENTS P-5</b>	*	*	*	*	*	*
<b>TOTAL PRINCIPAL DEBT PAYMENTS SS-6</b>	* \$2,558,447 *	* \$2,382,922 *	* \$2,466,568 *	* \$2,227,380 *	* \$2,263,016 *	* \$2,317,287 *

2012

**AUTHORITY BUDGET**

(OPERATION)

SUPPLEMENTAL SCHEDULES

**SOMERSET RARITAN VALLEY SA**

FISCAL YEAR: FROM JANUARY 1ST, 2012 TO DECEMBER 31, 2012

INTEREST PAYMENTS	5 YEAR DEBT SERVICE SCHEDULE					
	Prior Year 2011	2012	2013	2014	2015	2016
--AUTHORITY NOTES--	*	*	*	*	*	*
	*	*	*	*	*	*
	*	*	*	*	*	*
	*	*	*	*	*	*
<b>TOTAL PAYMENTS I-1</b>	*	*	*	*	*	*
--AUTHORITY BONDS--						
1998 A	* \$51,480 *	* \$20,628 *	* \$7,033 *	*	*	*
	*	*	*	*	*	*
	*	*	*	*	*	*
<b>TOTAL PAYMENTS I-2</b>	* \$51,480 *	* \$20,628 *	* \$7,033 *	*	*	*
--AUTHORITY CAPITAL LEASES--						
	*	*	*	*	*	*
	*	*	*	*	*	*
	*	*	*	*	*	*
<b>TOTAL PAYMENTS I-3</b>	*	*	*	*	*	*
--AUTHORITY INTERGOVERNMENTAL LOANS--						
NJEIT	* \$1,007,366 *	* \$622,334 *	* \$580,731 *	* \$534,770 *	* \$470,155 *	* \$400,548 *
	*	*	*	*	*	*
	*	*	*	*	*	*
<b>TOTAL PAYMENTS I-4</b>	* \$1,007,366 *	* \$622,334 *	* \$580,731 *	* \$534,770 *	* \$470,155 *	* \$400,548 *
--AUTHORITY OBLIGATIONS (LIST)--						
	*	*	*	*	*	*
	*	*	*	*	*	*
	*	*	*	*	*	*
<b>TOTAL PAYMENTS I-5</b>	*	*	*	*	*	*
<b>TOTAL INTEREST DEBT PAYMENTS SS-6</b>	* \$1,058,846 *	* \$642,962 *	* \$587,764 *	* \$534,770 *	* \$470,155 *	* \$400,548 *

**SOMERSET RARITAN VALLEY SA**

**AUTHORITY BUDGET  
SUPPLEMENTAL SCHEDULES**

**(OPERATION)**

**FISCAL YEAR: FROM JANUARY 1ST, 2012 TO DECEMBER 31, 2012**

<b>(1) PY UNRESTRICTED NET ASSETS</b>	PY AUDIT	*		*	\$1,104,446	*
<b>ADJUSTMENTS DURING CURRENT YEAR</b>						
(a) EST. NET INCOME OR (LOSS) ON CURRENT YEAR'S RESULTS OF OPERATIONS		*	*	*		*
(Include unbudgeted use of unrestricted net assets)						
(b) ADJUSTMENTS: OTHER (Attach list):		*	*	*		*
<b>(2) SUBTOTAL - ADJUSTMENTS</b>	(ADD AMOUNTS ON LINES a-b)			*		*
<b>(3) ADD LINES 1 AND 2</b>				*	1,104,446	*
<b>CURRENT YEAR ESTIMATED CHANGES IN RESTRICTIONS</b>						
(attach documentation)						
(c) DEBT SERVICE		*	*	*		*
(d) MAINTENANCE RESERVE		*	*	*		*
(e) OPERATING REQUIREMENT		*	*	*		*
(f) OTHER LEGAL RESERVATIONS		*	*	*		*
<b>(4) SUB-TOTAL - RESTRICTIONS</b>	(ADD AMOUNTS ON LINES c-f)			*		*
<b>DESIGNATIONS (attach documentation)</b>						
(g) NON-OPERATING IMPROVEMENTS & REPAIRS (CB-4&5)		*	*	*		*
(h) CONTRIBUTION TO RATE STABILIZATION PLAN (#)		*	*	*	63,361	*
(i) OTHER BOARD DESIGNATION		*	*	*		*
(j) ADJUSTMENTS /OTHER (Attach list):		*	*	*		*
<b>(5) SUBTOTAL - DESIGNATIONS</b>	(ADD AMOUNTS ON LINES g-i)			*	63,361	*
<b>(6) ADD LINES 4 and 5</b>				*	63,361	*
<b>(7) UNRESTRICTED NET ASSETS AVAILABLE FOR USE IN PROPOSED BUDGET</b>				*	1,041,085	*
	(SUBTRACT LINE 6 FROM LINE 3)					
<b>PROPOSED UTILIZATION OF AVAILABLE UNRESTRICTED NET ASSETS</b>						
<b>(8) AS REVENUE IN ANNUAL BUDGET (PAGE 6, LINE R-3b)</b>		*	*	*		*
<b>(9) FOR CURRENT YEAR CAPITAL BUDGET (PAGE CB-3)</b>		*	*	*		*
<b>(10) SUBTOTAL - U/R NET ASSETS UTILIZED</b>	(ADD AMOUNTS ON LINES 8-9)			*		*
<b>(11) MAXIMUM ALLOWABLE FOR APPROPRIATION TO MUNICIPALITY/COUNTY</b>					\$119,146	
(Budget Item B-2 times 5%)						
<b>(12) AS APPROPRIATED TO MUNICIPALITY/COUNTY (PAGE 6, LINE R-3a)</b>				*		*
<b>(13) TOTAL UNRESTRICTED/UNDESIGNATED NET ASSETS</b>				*	\$1,041,085	*
	(SUBTRACT LINES 10 AND 12 FROM LINE 7)					

732-469-0593 EXT. 202 , 732-469-4179  
 Phone # (extension) / Fax#

CERTIFIED BY:   
 EXECUTIVE DIRECTOR

(#) Explain in detail in the Budget Message

DATE: 11/22/2011  
 PAGE SS-9