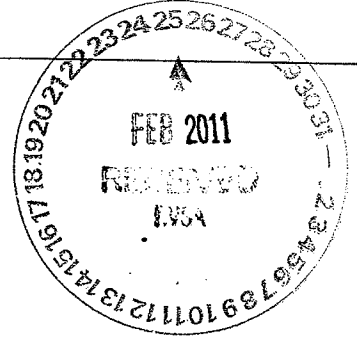


2011



Rahway Valley Sewerage Authority

Authority Budget

Department Of



Community
Affairs

Division of Local Government Services

2011

Rahway Valley Sewerage Authority

AUTHORITY BUDGET


FISCAL YEAR: FROM January 1, 2011 TO December 31, 2011

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: 2/14/11

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: _____

2011 PREPARER'S CERTIFICATION

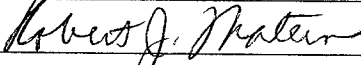
Rahway Valley Sewerage Authority

AUTHORITY BUDGET

FISCAL YEAR: FROM: January 1, 2011 TO: December 31, 2011

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:	Robert J. Materna		
Title:	Secretary-Treasurer		
Address:	Rahway Valley Sewerage Authority 1050 East Hazelwood Avenue Rahway, NJ 07065		
Phone Number:	732-388-0868	Fax Number:	732-382-0774
E-mail address	robertmaterna@rahwayvalleysa.com		

2011 APPROVAL CERTIFICATION

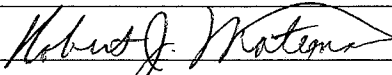
Rahway Valley Sewerage Authority

AUTHORITY BUDGET

FISCAL YEAR: FROM: January 1, 2011 TO: December 31, 2011

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 Rahway Valley Sewerage Authority, at an open public meeting held pursuant to N.J.A.C. 5:31-2.3, on the 16th day of December, 2010.

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.

Preparer's Signature:			
Name:	Robert J. Materna		
Title:	Secretary-Treasurer		
Address:	Rahway Valley Sewerage Authority 1050 East Hazelwood Avenue Rahway, NJ 07065		
Phone Number:	732-388-0868	Fax Number:	732-382-0774
E-mail address	robertmaterna@rahwayvalleysa.com		

AUTHORITY INFORMATION SHEET 2011

Please complete the following information regarding this Authority:

Name of Authority:	Rahway Valley Sewerage Authority		
Address:	1050 East Hazelwood Avenue		
City, State, Zip:	Rahway	NJ	07065
Phone: (ext.)	732-388-0868	Fax:	732-382-0774

Preparer's Name:	Robert J. Materna, Secretary-Treasurer		
Preparer's Address:	1050 East Hazelwood Avenue		
City, State, Zip:	Rahway	NJ	07065
Phone: (ext.)	732-388-0868	Fax:	732-382-0774

Chief Executive Officer:	James J. Meehan, Executive Director		
Phone: (ext.)	732-488-0868	Fax:	732-382-0774
E-mail:	jmeehan@rahwayvalleysa.com		

Chief Financial Officer:	Robert J. Materna, Secretary-Treasurer		
Phone: (ext.)	732-388-0868	Fax:	732-382-0774
E-mail:	robertmaterna@rahwayvalleysa.com		

Name of Auditor:	Robert Butvilla		
Name of Firm:	Suplee & Clooney		
Address:	308 East Broad Street		
City, State, Zip:	Westfield	NJ	07090
Phone: (ext.)	908-789-9300	Fax:	908-789-8535
E-mail:	butvilla@aol.com		

Membership of Board of Commissioners (Full Name)	Title
Allen Chin	Commissioner-Westfield
Rene Dierkes	Commissioner-Mountainside
Stephen Eisenberg	Commissioner-Springfield
Richard LoForte	Commissioner-Kenilworth
Stephen D. Greet	Commissioner-Garwood
Robert G. Luban	Commissioner-Woodbridge
Frank G. Mazzarella	Commissioner-Clark
James J. Murphy	Commissioner-Cranford
Joan Papen	Commissioner-Scotch Plains
Paul M. Sefranka	Commissioner-Rahway
Attilio S. Ventura	Commissioner-Roselle Park

RESOLUTION #10-66
RAHWAY VALLEY SEWERAGE AUTHORITY
FISCAL YEAR: From January 1, 2011 To December 31, 2011

WHEREAS, the Annual Budget and Capital Budget for the Rahway Valley Sewerage Authority ("Authority") for the fiscal year beginning January 1, 2011 and ending December 31, 2011 has been presented before the governing body of the Rahway Valley Sewerage Authority at its open public meeting of December 16, 2010; and

WHEREAS, the Annual Budget as introduced reflects Total Revenues of \$23,407,875.00, Total Appropriations including any Accumulated Deficit if any, of \$26,480,000.00 and Total Unrestricted Net Assets utilized of \$3,072,125.00; and

WHEREAS, the Capital Budget as introduced reflects Total Capital Appropriations of \$4,500,000.00 and Total Unrestricted Net Assets planned to be utilized as funding thereof, of \$ - ; 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, regulations 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.

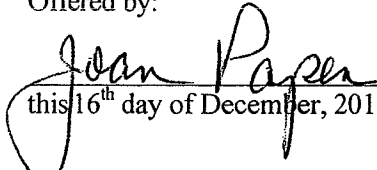
NOW, THEREFORE, BE IT RESOLVED by the governing body of the Rahway Valley Sewerage Authority, at an open public meeting held on December 16, 2010, that the Annual Budget, including appended Supplemental Schedules, and the Capital Budget/Program of the Rahway Valley Sewerage Authority for the fiscal year beginning January 1, 2011 and ending December 31, 2011 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

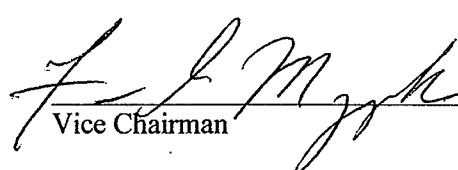
BE IT FURTHER RESOLVED, that the governing body of the Rahway Valley Sewerage Authority will consider the Annual Budget and Capital Budget/Program for adoption upon receipt of the approved copy from the State of New Jersey Dept. of Community Affairs.

adoption date : Feb. 17, 2011

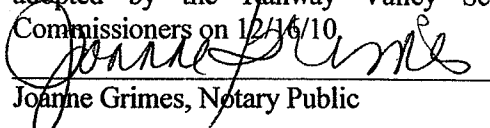
Offered by:


this 16th day of December, 2010


Secretary/Treasurer


Vice Chairman

I hereby certify that this is a true copy of Resolution #10-66, adopted by the Rahway Valley Sewerage Authority

Commissioners on 12/16/10

Joanne Grimes, Notary Public

JOANNE GRIMES
Notary Public, State Of New Jersey
My Commission Expires
January 6, 2014

2011 Authority Budget Resolution Rahway Valley Sewerage Authority

FISCAL YEAR: FROM: January 1, 2011 TO: December 31, 2011

WHEREAS, the Annual Budget and Capital Budget for the Rahway Valley Sewerage Authority for the fiscal year beginning, January 1, 2011 and ending, December 31, 2011 has been presented before the governing body of the Rahway Valley Sewerage Authority at its open public meeting of December 16, 2010; and

WHEREAS, the Annual Budget as introduced reflects Total Revenues of \$23,407,875.00, Total Appropriations, including any Accumulated Deficit if any, of \$26,480,000.00 and Total Unrestricted Net Assets utilized of \$3,072,125.00; and

WHEREAS, the Capital Budget as introduced reflects Total Capital Appropriations of \$4,500,000.00 and Total Unrestricted Net Assets planned to be utilized as funding thereof, of \$-; and

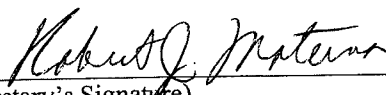
WHEREAS, the schedule of rates, fees and other charges in effect will produce sufficient revenues, together with all other anticipated revenues to satisfy all obligations to the holders of bonds of the Authority, to meet operating expenses, capital outlays, debt service requirements, and to provide for 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 Rahway Valley Sewerage Authority, at an open public meeting held on December 16, 2010 that the Annual Budget, including appended Supplemental Schedules, and the Capital Budget/Program of the Rahway Valley Sewerage Authority for the fiscal year beginning, January 1, 2011 and ending, December 31, 2011 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 Rahway Valley Sewerage Authority will consider the Annual Budget and Capital Budget/Program for adoption upon receipt of the approved copy from the State of New Jersey Dept. of Community Affairs.



(Secretary's Signature)

December 16, 2010
(Date)

Governing Body Member:	Recorded Vote			
	Aye	Nay	Abstain	Absent
Clark	X			
Cranford	X			
Garwood	X			
Kenilworth	X			
Mountainside	X			
Rahway				X
Roselle Park		X		
Scotch Plains	X			
Springfield	X			
Westfield	X			
Woodbridge				X

BUDGET MESSAGE 2011
Rahway Valley Sewerage Authority

AUTHORITY BUDGET

FISCAL YEAR: FROM: January 1, 2011 TO: December 31, 2011

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

Anticipated revenues for the Year 2011 are \$23.408 million as compared to \$22.570 million in the prior year, an increase of \$838 thousand. \$23.189 million (99.1%) of the Year 2011 revenues represent assessments to member municipalities. The Year 2011 Budget benefited from the utilization of \$3.072 million of Unreserved Retained Earnings. Page SS-9 provides details of the major components of the \$3.072 million. Debt service payment requirements in the Year 2011 budget of \$13.572 million are \$789 thousand higher than the previous year. Budgeted operating costs of \$12.908 million in the Year 2011 are \$1.235 million lower (8.7%) than the comparable amount for the Year 2010.

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.

Assessments to eleven member municipalities for the Year 2011 amount to \$23.189 million as compared to \$22.315 million in the prior year, an increase of \$874 thousand (3.9%). This increase is principally attributable to the reduction of unreserved retained earnings available to fund the Year 2011 Budget.

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 status of the local economy is comparable to general economic conditions in the northeast section of our country. The proposed budget is not influenced in a significant manner by the status of the local economy.

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 utilization of the \$3.072 million of unreserved retained earnings (URE) in the Year 2011 budget contributed to rate stabilization.

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.

Not applicable

2011

AUTHORITY BUDGET

(OPERATION)

RAHWAY VALLEY SEWERAGE AUTHORITY

FISCAL YEAR: FROM January 1, 2011 TO December 31, 2011

---ANTICIPATED REVENUES---

OPERATING REVENUES -----	CROSS REF. -----	2011 PROPOSED BUDGET -----	2010 CURRENT YEAR'S ADOPTED BUDGET -----
SERVICE CHARGES	* A-1 *	\$23,189,000 *	\$22,315,000 *
CONNECTION FEES	* A-2 *	\$4,000 *	\$4,000 *
PARKING FEES	* A-3 *	None *	None *
OTHER OPERATING REVENUES	* A-4 *	\$194,875 *	\$210,000 *
TOTAL OPERATING REVENUES	* R-1 *	<u>\$23,387,875 *</u>	<u>\$22,529,000 *</u>
NON-OPERATING REVENUES -----	CROSS REF. -----	2011 PROPOSED BUDGET -----	2010 CURRENT YEAR'S ADOPTED BUDGET -----
OPERATING GRANTS & ENTITLEMENTS	* A-5 *	None *	None *
LOCAL SUBSIDIES & DONATIONS	* A-6 *	None *	None *
INTEREST ON INVESTMENTS AND DEPOSIT	* A-7 *	\$20,000 *	\$41,000 *
OTHER NON-OPERATING REVENUES	* A-8 *	None *	None *
TOTAL NON-OPERATING REVENUES	* R-2 *	<u>\$20,000 *</u>	<u>\$41,000 *</u>
TOTAL ANTICIPATED REVENUES (R-1 + R-2)	* B-1 *	<u>\$23,407,875 *</u>	<u>\$22,570,000 *</u>

2011

AUTHORITY BUDGET

(OPERATION)

RAHWAY VALLEY SEWERAGE AUTHORITY

FISCAL YEAR: FROM January 1, 2011 TO December 31, 2011

---BUDGETED APPROPRIATIONS---

--OPERATING APPROPRIATIONS--

----- ADMINISTRATION -----	CROSS REF. -----	2011 PROPOSED BUDGET -----	2010 CURRENT YEAR'S ADOPTED BUDGET -----
SALARY & WAGES	* * *	\$1,085,000 *	\$1,238,000 *
FRINGE BENEFITS	* * *	\$788,350 *	\$657,000 *
OTHER EXPENSES	* * *	\$1,198,500 *	\$1,580,500 *
TOTAL ADMINISTRATION	* E-1 *	\$3,071,850 *	\$3,475,500 *

----- COST OF PROVIDING SERVICES -----	CROSS REF. -----	2011 PROPOSED BUDGET -----	2010 CURRENT YEAR'S ADOPTED BUDGET -----
SALARY & WAGES	* * *	\$3,210,000 *	\$3,282,000 *
FRINGE BENEFITS	* * *	\$1,344,150 *	\$1,303,000 *
OTHER EXPENSES	* * *	\$5,282,000 *	\$6,082,000 *
TOTAL COST OF PROVIDING SERVICES	* E-2 *	\$9,836,150 *	\$10,667,000 *

TOTAL PRINCIPAL PAYMENTS ON DEBT SERVICE IN LIEU OF DEPRECIATION	* D-1 *	\$9,744,400 *	\$9,536,355 *
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TOTAL OPERATING APPROPRIATIONS (E-1 + E-2 + D-1)	* B-2 *	\$22,652,400 *	\$23,678,855 *
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2011

AUTHORITY BUDGET

(OPERATION)

RAHWAY VALLEY SEWERAGE AUTHORITY

FISCAL YEAR: FROM January 1, 2011 TO December 31, 2011

---BUDGETED APPROPRIATIONS---

--NON-OPERATING APPROPRIATIONS--

		CROSS	2011	2010
		REF.	PROPOSED	CURRENT YEAR'S
			BUDGET	ADOPTED
				BUDGET
		-----	-----	-----
TOTAL INTEREST PAYMENTS ON DEBT	*	D-2 *	\$3,827,600 *	\$3,246,645 *
OPERATIONS & MAINTENANCE RESERVE	*	*	None *	None *
RENEWAL & REPLACEMENT RESERVE(S)	*	C-1 *	None *	None *
MUNICIPALITY/COUNTY APPROPRIATION	*	*	None *	None *
OTHER RESERVES	*	C-2 *	None *	None *
TOTAL NON-OPERATING APPROPRIATIONS	*	B-3 *	\$3,827,600 *	\$3,246,645 *
ACCUMULATED DEFICIT	*	B-4 *		
TOTAL OPERATING & NON-OPERATING APPROPRIATIONS & ACCUMULATED DEFICIT (B-2 + B-3 + B-4)	*	B-5 *	\$26,480,000 *	\$26,925,500 *
UNRESTRICTED NET ASSETS UTILIZED:				
MUNICIPALITY/COUNTY APPROPRIATION*	*	R-3a *		*
OTHER	*	R-3b *		*
LESS: TOTAL UNRESTRICTED NET ASSETS UTILIZED (R-3a + R-3b)	*	R-3 *	\$3,072,125 *	\$4,355,500 *
NET TOTAL APPROPRIATIONS (B-5 - R-3)	*	B-6 *	\$23,407,875 *	\$22,570,000 *

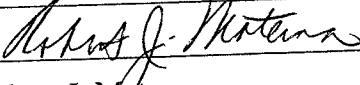
2011 ADOPTION CERTIFICATION

Rahway Valley Sewerage Authority

AUTHORITY BUDGET

FISCAL YEAR: FROM: January 1, 2011 TO: December 31, 2011

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 Rahway Valley Sewerage Authority, pursuant to N.J.A.C. 5:31-2.3, on the 17th day of, February, 2011.

Secretary's Signature:			
Name:	Robert J. Materna		
Title:	Secretary-Treasurer		
Address:	Rahway Valley Sewerage Authority 1050 East Hazelwood Avenel Rahway, NJ 07065		
Phone Number:	732-388-0868	Fax Number:	732-382-0774
E-mail address	robertmaterna@rahwayvalleysa.com		

2011 ADOPTED BUDGET RESOLUTION

Rahway Valley Sewerage Authority

FISCAL YEAR: FROM: January 1, 2011 TO: December 31, 2011

WHEREAS, the Annual Budget and Capital Budget/Program for the Rahway Valley Sewerage Authority for the fiscal year beginning January 1, 2011 and ending December 31, 2011 has been presented for adoption before the governing body of the Rahway Valley Sewerage Authority at its open public meeting of February 17, 2011; and

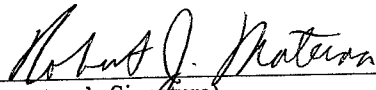
WHEREAS, the Annual Budget and Capital Budget as presented for adoption reflects each item of revenue and appropriation in the same amount and title as set forth in the introduced and approved budget, including all amendments thereto, if any, which have been approved by the Director of the Division of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

WHEREAS, the Annual Budget as presented for adoption reflects Total Revenues of \$23,407,875.00 Total Appropriations, including any Accumulated Deficit, if any, of \$26,480,000.00 and Total Unrestricted Net Assets utilized of \$3,072,125.00; and

WHEREAS, the Capital Budget as presented for adoption reflects Total Capital Appropriations of \$4,500,000.00 and Total Unrestricted Net Assets planned to be utilized of \$-0-; and

NOW, THEREFORE BE IT RESOLVED, by the governing body of the Rahway Valley Sewerage Authority, at an open public meeting held on February 17, 2011 that the Annual Budget and Capital Budget/Program of the Rahway Valley Sewerage Authority for the fiscal year beginning, January 1, 2011 and, ending, December 31, 2011 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) (Date)

February 17, 2011

Governing Body Member:	Recorded Vote		Abstain	Absent
	Aye	Nay		
Clark	X			
Cranford	X			
Garwood	X			
Kenilworth				X
Mountainside				X
Rahway				X
Roselle Park		X		
Scotch Plains	X			
Springfield	X			
Westfield	X			
Woodbridge	X			

RESOLUTION #11-08
2011 ADOPTED BUDGET RESOLUTION
Rahway Valley Sewerage Authority
FISCAL YEAR: FROM January 1, 2011 TO December 31, 2011

WHEREAS, the Annual Budget and Capital Budget/Program for the Rahway Valley Sewerage Authority for the fiscal year beginning January 1, 2011 and ending December 31, 2011 has been presented for adoption before the governing body of the Rahway Valley Sewerage Authority at its open public meeting of February 17, 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

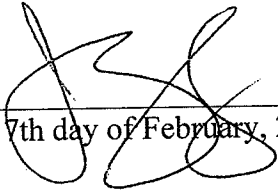
WHEREAS, the Annual Budget as presented for adoption reflects Total Revenues of \$23,407,875.00 Total Appropriations, including any Accumulated Deficit, if any, of \$26,480,000.00 and Total Unrestricted Net Assets utilized of \$3,072,125.00; and

WHEREAS, the Capital Budget as presented for adoption reflects Total Capital Appropriations of \$4,500,000.00 and Total Unrestricted Net Assets planned to be utilized of \$-0-; and

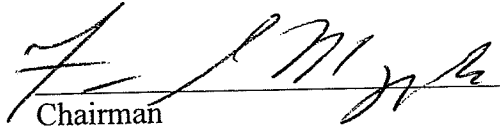
NOW, THEREFORE BE IT RESOLVED, by the governing body of the Rahway Valley Sewerage Authority, at an open public meeting held on February 17, 2011 that the Annual Budget and Capital Budget/Program of the Rahway Valley Sewerage Authority for the fiscal year beginning, January 1, 2011 and ending December 31, 2011 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.

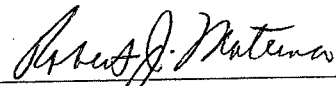
Offered by:



this 17th day of February, 2011



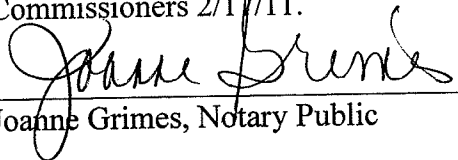
Chairman



Secretary-Treasurer

I hereby certify that this is a true copy of Res. #11-08
Adopted by the Rahway Valley Sewerage Authority
Commissioners 2/17/11.

JOANNE GRIMES
Notary Public, State Of New Jersey
My Commission Expires
January 6, 2014



Joanne Grimes, Notary Public

2011
RAHWAY
VALLEY
SEWERAGE
AUTHORITY
CAPITAL
BUDGET/
PROGRAM

2011 CERTIFICATION of AUTHORITY CAPITAL BUDGET/PROGRAM

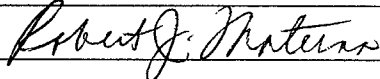
Rahway Valley Sewerage Authority

FISCAL YEAR: FROM: January 1, 2011 **TO:** December 31, 2011

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 Rahway Valley Sewerage Authority, on the 16th day of December, 2010.

OR

It is further certified that the governing body of the Rahway Valley Sewerage 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:	Robert J. Materna		
Title:	Secretary-Treasurer		
Address:	Rahway Valley Sewerage Authority 1050 East Hazelwood Avenel Rahway, NJ 07065		
Phone Number:	732-388-0868	Fax Number:	732-382-0774
E-mail address	robertmaterna@rahwayvalleysa.com		

2011 Capital Budget/Program Message

Rahway Valley Sewerage Authority

FISCAL YEAR: FROM: January 1, 2011 TO: December 31, 2011

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?

The Year 2011 Capital Plan has been reviewed and approved by a majority of the Commissioners representing each member municipality.

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?

Each project has been developed from a specific capital improvement plan or report. This plan is not a part of the Master Plans of the individual municipal jurisdictions served by the Authority; however, the improvements are incorporated into an overall plan of the Authority for upgrading its facilities.

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

The Authority has prepared a long-term infrastructure needs assessment (its Comprehensive Strategic Plan (CSP)) that includes the expansion/upgrading of the following facilities: (1) Primary; (2) Filtration; (3) Disinfection; (4) Pumping Stations; and (5) Outfall. *See additional comments on Page CB-3.* The CSP was established by the Authority pursuant to a Judicial Consent Order which sets forth the terms and conditions of a litigation settlement with the NJDEP and a third party concerning permit compliance and combined sewer overflow matters. The improvements enumerated above are in-place.

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.

Rates, fees and service charges will be adjusted to fund debt service costs related to the Authority's extensive capital improvement program. The Member Municipalities have been advised of the cost of the CSP and the related financing.

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.

None.

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?

None.

2011

AUTHORITY CAPITAL BUDGET

(OPERATION)

RAHWAY VALLEY SEWERAGE AUTHORITY

FISCAL YEAR: FROM January 1, 2011 TO December 31, 2011

PROPOSED YEAR'S CAPITAL IMPROVEMENT PLAN

PROJECTS	ESTIMATED TOTAL COST	FUNDING SOURCES			
		UNRESTRICTED NET ASSETS	RENEWAL & REPLACEMENT RESERVE	DEBT AUTHORIZATION	OTHER SOURCES
A - Improvements related to the Judicial Consent Order (JCO) (Note 1)	\$4,200,000			\$4,200,000	
B - Other Projects (Note 1)	\$300,000			\$300,000	
C					
D					
E					
F					
G					
H					
I					
J					
K					
L					
M					
N					
TOTAL	\$4,500,000			\$4,500,000	

Note 1 - These projects will be funded from proceeds realized from the issuance of Capital Appreciation Bonds in the Year 2005.

2011

AUTHORITY CAPITAL PROGRAM

(OPERATION)

RAHWAY VALLEY SEWERAGE AUTHORITY

FISCAL YEAR: FROM January 1, 2011 TO December 31, 2011

5 YEAR CAPITAL IMPROVEMENT PLAN COSTS

PROJECTS	ESTIMATED TOTAL COST	2011	2012	2013	2014	2015
A - Improvements related to the Judicial Consent Order (JCO) (Note 1)	\$4,200,000	\$4,200,000				
B - Other Projects (Note 1)	\$1,100,000	\$300,000	\$200,000	\$200,000	\$200,000	\$200,000
C						
D						
E						
F						
G						
H						
I						
J						
K						
L						
M						
N						
TOTAL	\$5,300,000	\$4,500,000	\$200,000	\$200,000	\$200,000	\$200,000

Note 1 - See comments on Page CB-3.

2011

AUTHORITY CAPITAL PROGRAM

(OPERATION)

RAHWAY VALLEY SEWERAGE AUTHORITY

FISCAL YEAR: FROM January 1, 2011 TO December 31, 2011

5 YEAR CAPITAL PLAN FUNDING SOURCES: From 2011 to 2015

PROJECTS	ESTIMATED TOTAL COST	FUNDING SOURCES			
		UNRESTRICTED NET ASSETS	RENEWAL & REPLACEMENT RESERVE	DEBT AUTHORIZATION	OTHER SOURCES
A - Improvements related to the Judicial Consent Order (JCO) (Note 1)	\$4,200,000			\$4,200,000	
B - Other Projects (Note 1)	\$1,100,000			\$1,100,000	
C					
D					
E					
F					
G					
H					
I					
J					
K					
L					
M					
N					
TOTAL	\$5,300,000			\$5,300,000	

Note 1 - See comments on Page CB-3.

2011
RAHWAY VALLEY
SEWERAGE
AUTHORITY

SUPPLEMENTAL SCHEDULES

STATE OF NEW JERSEY

DIVISION OF LOCAL GOVERNMENT SERVICES

2011

**AUTHORITY BUDGET
SUPPLEMENTAL SCHEDULES**

(OPERATION)

RAHWAY VALLEY SEWERAGE AUTHORITY

FISCAL YEAR: FROM January 1, 2011 TO December 31, 2011

==== OPERATING REVENUES ====

----SERVICE CHARGES----	CROSS REF.	# UNITS	2011 PROPOSED ANNUAL COLLECTION	# UNITS	2010 CURRENT YEAR'S ADOPTED BUDGET
RESIDENTIAL	*	*		*	*
BUSINESS/COMMERCIAL	*	*	Billed to eleven municipalities....	*	Billed to eleven municipalities....
INDUSTRIAL	*	*	See attached Schedule...	*	See attached Schedule...
INTERGOVERNMENTAL	*	*	(Page SS-1-A)	*	(Page SS-1-A)
OTHER	*	*		*	
TOTAL SERVICE CHARGES	* A-1	*	\$23,189,000	*	\$22,315,000

----CONNECTION FEES----	CROSS REF.	# UNITS	2011 PROPOSED ANNUAL COLLECTION	# UNITS	2010 CURRENT YEAR'S ADOPTED BUDGET
RESIDENTIAL	*	*		*	*
BUSINESS/COMMERCIAL	*	*		*	*
INDUSTRIAL	*	*		*	*
INTERGOVERNMENTAL	*	*		*	*
OTHER	*	*	\$4,000	*	\$4,000
TOTAL CONNECTION FEES	* A-2	*	\$4,000	*	\$4,000

* INCLUDE ALL APPLICABLE RATE SCHEDULES TO SUPPORT SUCH FEES

2011

RAHWAY VALLEY SEWERAGE AUTHORITY
FISCAL YEAR: FROM January 1, 2011 TO December 31, 2011

Supplemental Schedule - Service Charges
Page SS -1
Allocations to Municipalities

<u>Municipality</u>	<u>2011</u>	<u>2010</u>
Clark	\$ 3,091,697	\$ 3,302,060
Cranford	1,712,151	1,521,947
Garwood	502,200	570,333
Kenilworth	1,151,829	1,240,440
Mountainside	961,531	876,926
Rahway	3,019,952	2,642,359
Roselle Park	535,051	524,731
Scotch Plains	1,529,751	1,545,725
Springfield	1,930,247	1,841,638
Westfield	3,299,151	3,159,809
Woodbridge	5,455,440	5,089,032
	<u>\$ 23,189,000</u>	<u>\$ 22,315,000</u>

Note: Assessments are based on each municipality's contribution to the system attributable to Flow, BOD and Suspended Solids based on a forward moving average of the data for a five year period.

2011

AUTHORITY BUDGET
SUPPLEMENTAL SCHEDULES

(OPERATION)

RAHWAY VALLEY SEWERAGE AUTHORITY

FISCAL YEAR: FROM January 1, 2011 TO December 31, 2011

==== OPERATING REVENUES ====

---PARKING FEES---	CROSS REF.	# UNITS	2011 PROPOSED ANNUAL COLLECTION	# UNITS	2010 CURRENT YEAR'S ADOPTED BUDGET
METERS	*	*		*	*
PERMITS	*	*		*	*
FINES/PENALTIES	*	*		*	*
OTHER	*	*		*	*
TOTAL PARKING FEES	* A-3	*	None	*	None

---OTHER OPERATING REVENUES---	CROSS REF.		2011 PROPOSED ANNUAL COLLECTION		2010 CURRENT YEAR'S ADOPTED BUDGET
LIST IN DETAIL:					
Permit Fees (Note A)	*	*	\$193,000	*	\$205,500
Other	*	*	\$1,875	*	\$4,500
	*	*		*	*
	*	*		*	*
TOTAL OTHER REVENUES	* A-4	*	\$194,875	*	\$210,000

* INCLUDE ALL APPLICABLE RATE SCHEDULES TO SUPPORT SUCH FEES

NOTE A - A function of costs incurred.

2011

**AUTHORITY BUDGET
SUPPLEMENTAL SCHEDULES**

(OPERATION)

RAHWAY VALLEY SEWERAGE AUTHORITY

FISCAL YEAR: FROM January 1, 2011 TO December 31, 2011

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

---GRANTS &--- ---ENTITLEMENTS---	CROSS REF.	2011 PROPOSED BUDGET	2010 CURRENT YEAR'S ADOPTED BUDGET
LIST IN DETAIL:	*	*	*
	*	*	*
	*	*	*
	*	*	*
TOTAL GRANTS & ENT.	* A-5 *	None	None

---LOCAL SUBSIDIES--- ---& DONATIONS---	CROSS REF.	2011 PROPOSED BUDGET	2010 CURRENT YEAR'S ADOPTED BUDGET
LIST IN DETAIL:	*	*	*
	*	*	*
	*	*	*
	*	*	*
TOTAL SUB. & DONATIONS	* A-6 *	None	None

2011

AUTHORITY BUDGET
SUPPLEMENTAL SCHEDULES

(OPERATION)

RAHWAY VALLEY SEWERAGE AUTHORITY

FISCAL YEAR: FROM January 1, 2011 TO December 31, 2011

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

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

	CROSS REF.	2011 PROPOSED BUDGET	2010 CURRENT YEAR'S ADOPTED BUDGET
INVESTMENTS	* *	\$20,000 *	\$41,000 *
SECURITY DEPOSITS	* *		
PENALTIES	* *		
OTHER INVESTMENTS	* *		
TOTAL INTEREST ON INVESTMENTS & DEPOSITS	* A-7 *	\$20,000 *	\$41,000 *

---OTHER NON-OPERATING REVENUES---

	CROSS REF.	2011 PROPOSED BUDGET	2010 CURRENT YEAR'S ADOPTED BUDGET
LIST IN DETAIL:	* *		
	* *		
	* *		
	* *		
	* *		
TOTAL OTHER REVENUES	* A-8 *	None *	None *

2011

AUTHORITY BUDGET
SUPPLEMENTAL SCHEDULES

(OPERATION)

RAHWAY VALLEY SEWERAGE AUTHORITY

FISCAL YEAR: FROM January 1, 2011 TO December 31, 2011

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

---RENEWAL &--- ---REPLACEMENT RESERVE(S)---	CROSS REF.	2011 PROPOSED BUDGET	2010 CURRENT YEAR'S ADOPTED BUDGET
LIST IN DETAIL:			
	*	*	*
	*	*	*
	*	*	*
	*	*	*
TOTAL RENEWAL & REPLACEMENT RESERVE(S)	* C-1 *	None	None
---OTHER RESERVES---			
LIST IN DETAIL:			
	*	*	*
	*	*	*
	*	*	*
	*	*	*
TOTAL OTHER RESERVES	* C-2 *	None	None

2011

**AUTHORITY BUDGET
SUPPLEMENTAL SCHEDULES**

(OPERATION)

RAHWAY VALLEY SEWERAGE AUTHORITY

FISCAL YEAR: FROM January 1, 2011 TO December 31, 2011

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

---PRINCIPAL PAYMENTS---

	CROSS REF.	2011 PROPOSED BUDGET	2010 CURRENT YEAR'S ADOPTED BUDGET
AUTHORITY NOTES	* P-1 *	\$72,222 *	\$72,222 *
AUTHORITY BONDS	* P-2 *	\$9,672,178 *	\$9,464,133 *
CAPITAL LEASES	* P-3 *	*	*
INTERGOVERN. LOANS	* P-4 *	*	*
OTHER OBLIGATIONS	* P-5 *	*	*
TOTAL PRINCIPAL PAYMENTS	* D-1 *	\$9,744,400 *	\$9,536,355 *

---INTEREST PAYMENTS---

	CROSS REF.	2011 PROPOSED BUDGET	2010 CURRENT YEAR'S ADOPTED BUDGET
AUTHORITY NOTES	* I-1 *	*	*
AUTHORITY BONDS	* I-2 *	\$3,827,600 *	\$3,246,645 *
CAPITAL LEASES	* I-3 *	*	*
INTERGOVERN. LOANS	* I-4 *	*	*
OTHER OBLIGATIONS	* I-5 *	*	*
TOTAL INTEREST PAYMENTS	* D-2 *	\$3,827,600 *	\$3,246,645 *

2011

AUTHORITY BUDGET (OPERATION)
SUPPLEMENTAL SCHEDULES

RAHWAY VALLEY SEWERAGE AUTHORITY

FISCAL YEAR: FROM January 1, 2011 TO December 31, 2011

PRINCIPAL PAYMENTS	5 YEAR DEBT SERVICE SCHEDULE					
	Prior Year 2010	2011	2012	2013	2014	2015
--AUTHORITY NOTES--						
*	\$72,222	\$72,222	\$72,222	\$72,222	\$72,222	\$72,222
*						
*						
*						
TOTAL PAYMENTS P-1	\$72,222	\$72,222	\$72,222	\$72,222	\$72,222	\$72,222
--AUTHORITY BONDS--						
*	\$9,464,133	\$9,672,178	\$9,891,978	\$10,129,778	\$10,370,078	\$10,531,578
*						
*						
TOTAL PAYMENTS P-2	\$9,464,133	\$9,672,178	\$9,891,978	\$10,129,778	\$10,370,078	\$10,531,578
--AUTHORITY CAPITAL LEASES--						
*						
*						
*						
TOTAL PAYMENTS P-3						
--AUTHORITY INTERGOVERNMENTAL LOANS--						
*						
*						
*						
TOTAL PAYMENTS P-4						
--AUTHORITY OBLIGATIONS (LIST)--						
*						
*						
*						
TOTAL PAYMENTS P-5						
TOTAL PRINCIPAL DEBT PAYMENTS SS-6	\$9,536,355	\$9,744,400	\$9,964,200	\$10,202,000	\$10,442,300	\$10,603,800

Note A - A substantial portion of the Authority's debt obligations relate to financing under the New Jersey Environmental Infrastructure (NJEIT) loan program and Capital Appreciation Bonds.

2011

AUTHORITY BUDGET (OPERATION)
SUPPLEMENTAL SCHEDULES

RAHWAY VALLEY SEWERAGE AUTHORITY

FISCAL YEAR: FROM January 1, 2011 TO December 31, 2011

INTEREST PAYMENTS	5 YEAR DEBT SERVICE SCHEDULE					
	Prior Year 2010	2011	2012	2013	2014	2015
--AUTHORITY NOTES--	*	*	*	*	*	*
	*	*	*	*	*	*
	*	*	*	*	*	*
	*	*	*	*	*	*
TOTAL PAYMENTS I-1	*	*	*	*	*	*
--AUTHORITY BONDS--						
	* \$3,246,645 *	* \$3,827,600 *	* \$3,595,600 *	* \$3,352,000 *	* \$3,112,100 *	* \$2,887,300 *
	*	*	*	*	*	*
	*	*	*	*	*	*
TOTAL PAYMENTS I-2	* \$3,246,645 *	* \$3,827,600 *	* \$3,595,600 *	* \$3,352,000 *	* \$3,112,100 *	* \$2,887,300 *
--AUTHORITY CAPITAL LEASES--						
	*	*	*	*	*	*
	*	*	*	*	*	*
	*	*	*	*	*	*
TOTAL PAYMENTS I-3	*	*	*	*	*	*
--AUTHORITY INTERGOVERNMENTAL LOANS--						
	*	*	*	*	*	*
	*	*	*	*	*	*
	*	*	*	*	*	*
TOTAL PAYMENTS I-4	*	*	*	*	*	*
--AUTHORITY OBLIGATIONS (LIST)--						
	*	*	*	*	*	*
	*	*	*	*	*	*
	*	*	*	*	*	*
TOTAL PAYMENTS I-5	*	*	*	*	*	*
TOTAL INTEREST DEBT PAYMENTS SS-6	* \$3,246,645 *	* \$3,827,600 *	* \$3,595,600 *	* \$3,352,000 *	* \$3,112,100 *	* \$2,887,300 *

NOTE A - See comment on Page SS-7.

RAHWAY VALLEY SEWERAGE AUTHORITY

**AUTHORITY BUDGET
SUPPLEMENTAL SCHEDULES**

(OPERATION)

FISCAL YEAR: FROM January 1, 2011 TO December 31, 2011

<p>(1) PY UNRESTRICTED NET ASSETS ** PY AUDIT</p> <p>Reference is made to Note (8) in the Authority's Year 2009 Audited Financial Statements</p>	*		\$4,905,987	*
ADJUSTMENTS DURING CURRENT YEAR				
<p>(a) EST. NET INCOME OR (LOSS) ON CURRENT YEAR'S RESULTS OF OPERATIONS <i>(Include unbudgeted use of unrestricted net assets)</i></p> <p>(b) ADJUSTMENTS: OTHER (Attach list):</p>	*		*	*
<p>(2) SUBTOTAL - ADJUSTMENTS</p> <p>(3) ADD LINES 1 AND 2</p>	*		*	*
(ADD AMOUNTS ON LINES a-b)				
			4,905,987	*
CURRENT YEAR ESTIMATED CHANGES IN RESTRICTIONS <i>(attach documentation)</i>				
<p>(c) DEBT SERVICE</p> <p>(d) MAINTENANCE RESERVE</p> <p>(e) OPERATING REQUIREMENT ...Adjust to 25% of the Yr 2011 Operating Expense Budget</p> <p>(f) OTHER LEGAL RESERVATIONS</p>	*		*	*
<p>(4) SUB-TOTAL - RESTRICTIONS</p>	*		*	*
(ADD AMOUNTS ON LINES c-f)				
			(308,625)	*
DESIGNATIONS (attach documentation)				
<p>(g) NON-OPERATING IMPROVEMENTS & REPAIRS (CB-4&5)</p> <p>(h) CONTRIBUTION TO RATE STABILIZATION PLAN (#)</p> <p>(i) OTHER BOARD DESIGNATION</p> <p>(j) ADJUSTMENTS /OTHER (Attach list):</p> <p><i>12/31/09 Unrestricted Net Assets allocated to fund a portion of the year 2010 budget</i></p> <p><i>Yr 2010 Est Net Operation Expense Savings(Budget vs Actual)</i></p> <p><i>Capital Replacement Fund Transfer</i></p> <p><i>Debt Refinancing Savings and Related Credits</i></p>	*		*	*
<p>(5) SUBTOTAL - DESIGNATIONS</p> <p>(6) ADD LINES 4 and 5</p> <p>(7) UNRESTRICTED NET ASSETS AVAILABLE FOR USE IN PROPOSED BUDGET (SUBTRACT LINE 6 FROM LINE 3)</p>	*		*	*
(ADD AMOUNTS ON LINES g-l)				
			1,592,000	*
			1,283,375	*
			3,822,812	*
PROPOSED UTILIZATION OF AVAILABLE UNRESTRICTED NET ASSETS				
<p>(8) AS REVENUE IN ANNUAL BUDGET (PAGE 6, LINE R-3b)</p> <p>(9) FOR CURRENT YEAR CAPITAL BUDGET (PAGE CB-3)</p> <p>(10) SUBTOTAL - U/R NET ASSETS UTILIZED</p>	*		*	*
(ADD AMOUNTS ON LINES 8-9)				
			3,072,125	*
			3,072,125	*
<p>(11) MAXIMUM ALLOWABLE FOR APPROPRIATION TO MUNICIPALITY/COUNTY <i>(Budget Item B-2 times 5%)</i></p>	*		*	*
<p>(12) AS APPROPRIATED TO MUNICIPALITY/COUNTY (PAGE 6, LINE R-3a)</p> <p>(13) TOTAL UNRESTRICTED/UNDESIGNATED NET ASSETS (SUBTRACT LINES 10 AND 12 FROM LINE 7)</p>	*		*	*
			\$1,132,620	*
			\$550,487	*

732-388-0868 x 215 / 732-382-0774
Phone # (extension) / Fax#

CERTIFIED BY: *James J. ...*
EXECUTIVE DIRECTOR

DATE: December 16, 2010

(#) Explained in detail in the Budget Message