

**ADOPTED COPY**

State Filing Year **2017**

Note: This Budget document is for Fiscal Years Beginning Jan. 1, 2017 to Dec. 31, 2017

	<u>Start Year</u>		<u>End Year</u>
Fiscal Year	<b>2017</b>	-	2017

*Authority Budget of:*

RECEIVED  
MAR 03 2017  
RAHWAY VALLEY  
SEWERAGE AUTHORITY

*Rahway Valley Sewerage Authority*

*For the Period:*

*January 1, 2017 to December 31, 2017*

[www.rahwayvalleysa.com](http://www.rahwayvalleysa.com)

Authority Web Address

RECEIVED  
FEB 13 2017  
RAHWAY VALLEY  
SEWERAGE AUTHORITY

Department Of



Community  
Affairs

JAN 26 2017

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2017 FEB 27 P 12:17

LOCAL GOVT SERVICES

*Division of Local Government Services*

**2017 AUTHORITY BUDGET**

**Certification Section**

2017

**RAHWAY VALLEY SEWERAGE  
AUTHORITY BUDGET**

**FISCAL YEAR: FROM January 1, 2017 TO December 31, 2017**

**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.A. 40A:5A-11.*

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

By: Paul D. Cwert CPA, RMA Date: 2/8/2017

**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: Paul D. Cwert, CPA, RMA Date: 2/28/2017

# 2017 PREPARER'S CERTIFICATION

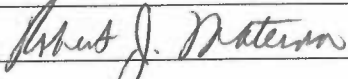
## RAHWAY VALLEY SEWERAGE

### AUTHORITY BUDGET

FISCAL YEAR: FROM: January 1, 2017 TO: December 31, 2017

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 required schedules are completed and attached.

Preparer's Signature:			
Name:	Robert J. Materna		
Title:	Secretary-Treasurer		
Address:	1050 East Hazelwood Avenue, Rahway, NJ 07065		
Phone Number:	732-388-0868 x 216	Fax Number:	732-382-0774
E-mail address	robertmaterna@rahwayvalleysa.com		

# 2017 APPROVAL CERTIFICATION

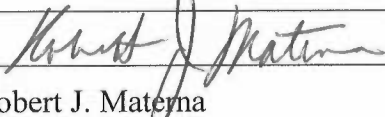
## RAHWAY VALLEY SEWERAGE

### AUTHORITY BUDGET

**FISCAL YEAR:** FROM: January 1, 2017 **TO:** December 31, 2017

It is hereby certified that the Authority Budget, including all 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 15th day of December, 2016.

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

Officer's Signature:			
Name:	Robert J. Materna		
Title:	Secretary-Treasurer		
Address:	1050 East Hazelwood Avenue, Rahway, NJ 07065		
Phone Number:	732-388-0868 x 216	Fax Number:	732-382-0774
E-mail address	robertmaterna@rahwayvalleysa.com		

# INTERNET WEBSITE CERTIFICATION

Authority's Web Address: www.rahwayvalleysa.com

All authorities shall maintain either an Internet website or a webpage on the municipality's or county's Internet website. The purpose of the website or webpage shall be to provide increased public access to the authority's operations and activities. N.J.S.A. 40A:5A-17.1 requires the following items to be included on the Authority's website at a minimum for public disclosure. Check the boxes below to certify the Authority's compliance with N.J.S.A. 40A:5A-17.1.

- A description of the Authority's mission and responsibilities
- Commencing with 2013, the budgets for the current fiscal year and immediately preceding two prior years
- The most recent Comprehensive Annual Financial Report (Unaudited) or similar financial information
- Commencing with 2012, the annual audits of the most recent fiscal year and immediately two prior years
- The Authority's rules, regulations and official policy statements deemed relevant by the governing body of the authority to the interests of the residents within the authority's service area or jurisdiction
- Notice posted pursuant to the "Open Public Meetings Act" for each meeting of the Authority, setting forth the time, date, location and agenda of each meeting
- Beginning January 1, 2013, the approved minutes of each meeting of the Authority including all resolutions of the board and their committees; for at least three consecutive fiscal years
- The name, mailing address, electronic mail address and phone number of every person who exercises day-to-day supervision or management over some or all of the operations of the Authority
- A list of attorneys, advisors, consultants and any other person, firm, business, partnership, corporation or other organization which received any remuneration of \$17,500 or more during the preceding fiscal year for any service whatsoever rendered to the Authority.

It is hereby certified by the below authorized representative of the Authority that the Authority's website or webpage as identified above complies with the minimum statutory requirements of N.J.S.A. 40A:5A-17.1 as listed above. A check in each of the above boxes signifies compliance.

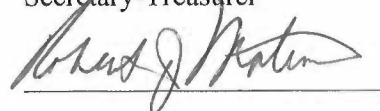
Name of Officer Certifying compliance

Robert J. Materna

Title of Officer Certifying compliance

Secretary-Treasurer

Signature



# 2017 AUTHORITY BUDGET RESOLUTION

## Rahway Valley Sewerage Authority

**FISCAL YEAR: FROM: January 1, 2017 TO: December 31, 2017**

WHEREAS, the Annual Budget and Capital Budget for the Rahway Valley Sewerage Authority for the fiscal year beginning, January 1, 2017 and ending, December 31, 2017 has been presented before the governing body of the Rahway Valley Sewerage Authority at its open public meeting of January 19, 2017; and

WHEREAS, the Annual Budget as introduced reflects Total Revenues of \$25,262,750 Total Appropriations, including any Accumulated Deficit if any, of \$25,976,250 and Total Unrestricted Net Position utilized of \$713,500; and

WHEREAS, the Capital Budget as introduced reflects Total Capital Appropriations of \$5,700,000 and Total Unrestricted Net Position planned to be utilized as funding thereof, of \$ - ; and

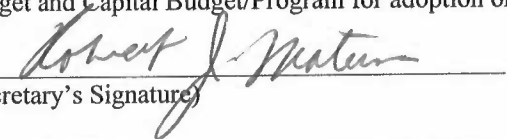
WHEREAS, the schedule of rates, fees and other charges in effect will produce sufficient revenues, together with all other anticipated revenues to satisfy all obligations to the holders of bonds of the Authority, to meet operating expenses, capital outlays, debt service requirements, and to provide for 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 January 19, 2017 that the Annual Budget, including all related schedules, and the Capital Budget/Program of the Rahway Valley Sewerage Authority for the fiscal year beginning, January 1, 2017 and ending, December 31, 2017 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 on February 16, 2017.

  
 \_\_\_\_\_  
 (Secretary's Signature) January 19, 2017  
(Date)

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

**RESOLUTION #17-06**  
**2017 AUTHORITY BUDGET RESOLUTION**  
Rahway Valley Sewerage Authority  
Fiscal Year from January 1, 2017 to December 31, 2017

WHEREAS, the Annual Budget and Capital Budget for the Rahway Valley Sewerage Authority for the fiscal year beginning, January 1, 2017 and ending, December 31, 2017 has been presented before the governing body of the Rahway Valley Sewerage Authority at its open public meeting of January 19, 2017; and

WHEREAS, the Annual Budget as introduced reflects Total Revenues of \$25,262,750 Total Appropriations, including any Accumulated Deficit if any, of \$25,976,250 and Total Unrestricted Net Position utilized of \$713,500; and

WHEREAS, the Capital Budget as introduced reflects Total Capital Appropriations of \$5,700,000 and Total Unrestricted Net Position 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 January 19, 2017 that the Annual Budget, including all related schedules, and the Capital Budget/Program of the Rahway Valley Sewerage Authority for the fiscal year beginning, January 1, 2017 and ending, December 31, 2017 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 on February 16, 2017.

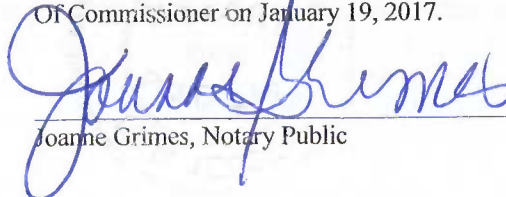
Offered by:

  
this 19<sup>th</sup> day of January 2017

  
Secretary-Treasurer

  
Chairman

I hereby certify that this is a true copy of Resolution #17-06 adopted by the Rahway Valley Sewerage Authority Board Of Commissioner on January 19, 2017.

  
Joanne Grimes, Notary Public

**JOANNE GRIMES**  
Notary Public, State of New Jersey  
My Commission Expires  
January 6, 2019



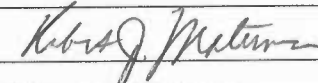
# 2017 ADOPTION CERTIFICATION

## Rahway Valley Sewerage Authority

### AUTHORITY BUDGET

**FISCAL YEAR:**    **FROM:**    January 1, 2017    **TO:**    December 31, 2017

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 16th day of, February 2017.

Officer's Signature:			
Name:	Robert J. Materna		
Title:	Secretary-Treasurer		
Address:	1050 East Hazelwood Avenue, Rahway, NJ 07065		
Phone Number:	732-388-0868 x 216	Fax Number:	732-382-0774
E-mail address	robertmaterna@rahwayvalleysa.com		

# 2017 ADOPTED BUDGET RESOLUTION

## Rahway Valley Sewerage Authority

FISCAL YEAR: FROM: January 1, 2017 TO: December 31, 2017

WHEREAS, the Annual Budget and Capital Budget/Program for the Rahway Valley Sewerage Authority for the fiscal year beginning January 1, 2017 and ending, December 31, 2017 has been presented for adoption before the governing body of the Rahway Valley Sewerage Authority at its open public meeting of February 16, 2017; and

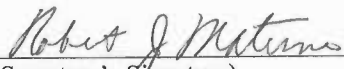
WHEREAS, the Annual Budget and Capital Budget as presented for adoption reflects each item of revenue and appropriation in the same amount and title as set forth in the introduced and approved budget, including all amendments thereto, if any, which have been approved by the Director of the Division of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

WHEREAS, the Annual Budget as presented for adoption reflects Total Revenues of \$25,262,750, Total Appropriations, including any Accumulated Deficit, if any, of \$25,976,250 and Total Unrestricted Net Position utilized of \$713,500; and

WHEREAS, the Capital Budget as presented for adoption reflects Total Capital Appropriations of \$5,700,000 and Total Unrestricted Net Position planned to be utilized of \$ - ; and

NOW, THEREFORE BE IT RESOLVED, by the governing body of Rahway Valley Sewerage Authority, at an open public meeting held on February 16, 2017 that the Annual Budget and Capital Budget/Program of the Rahway Valley Sewerage Authority for the fiscal year beginning January 1, 2017 and ending December 31, 2017 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)

February 16, 2017  
(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			

**RESOLUTION #17-09**  
**2017 AUTHORITY BUDGET RESOLUTION**  
Rahway Valley Sewerage Authority  
Fiscal Year from January 1, 2017 to December 31, 2017

WHEREAS, the Annual Budget and Capital Budget/Program for the Rahway Valley Sewerage Authority for the fiscal year beginning January 1, 2017 and ending, December 31, 2017 has been presented for adoption before the governing body of the Rahway Valley Sewerage Authority at its open public meeting of February 16, 2017; 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

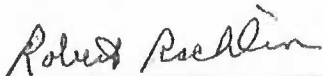
WHEREAS, the Annual Budget as presented for adoption reflects Total Revenues of \$25,262,750, Total Appropriations, including any Accumulated Deficit, if any, of \$25,976,250 and Total Unrestricted Net Position utilized of \$713,500; and

WHEREAS, the Capital Budget as presented for adoption reflects Total Capital Appropriations of \$5,700,000 and Total Unrestricted Net Position planned to be utilized of \$ - ; and

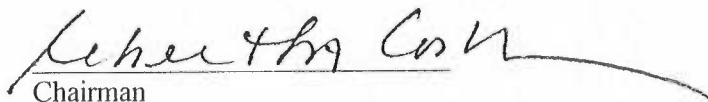
NOW, THEREFORE BE IT RESOLVED, by the governing body of Rahway Valley Sewerage Authority, at an open public meeting held on February 16, 2017 that the Annual Budget and Capital Budget/Program of the Rahway Valley Sewerage Authority for the fiscal year beginning January 1, 2017 and ending December 31, 2017 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:



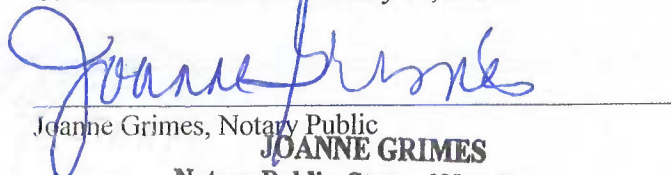
this 16<sup>th</sup> day of February 2017

  
Chairman



Secretary-Treasurer

I hereby certify that this is a true copy of Resolution #17-09 adopted by the Rahway Valley Sewerage Authority Board Of Commissioners on February 16, 2017.

  
Joanne Grimes, Notary Public  
**JOANNE GRIMES**  
Notary Public, State of New Jersey  
My Commission Expires  
January 6, 2019



1050 East Hazelwood Avenue  
Rahway, New Jersey 07065  
www.rahwayvalleysa.com  
Phone: 732-388-0868  
Fax: 732-382-0774

December 19, 2016

CHAIRMAN  
Michael Furci  
VICE CHAIRMAN  
Robert B. LaCosta  
EXECUTIVE DIRECTOR  
James J. Meehan  
SECRETARY-TREASURER  
Robert J. Materna

State of New Jersey  
Dept. of Community Affairs  
Bureau of Authority Regulation Affairs  
Div. of Local Government Services  
101 South Broad Street  
P.O. Box 803  
Trenton, New Jersey 08625-0803

Gentlemen:

I have enclosed one copy of our Resolution #16-70 regarding the late submittal of our 2017 Budget to your office. This resolution is a revision to the resolution previously sent to you in October.

If you have any questions or require additional information, please do not hesitate to contact our office.

Sincerely,

Rahway Valley Sewerage Authority

A handwritten signature in cursive script, appearing to read 'Joanne Grimes', is written over the typed name and title.

Joanne Grimes,  
QPA/Office Manager

/jg  
Encls.

RESOLUTION #16-70

WHEREAS, the Rahway Valley Sewerage Authority previously approved Resolution #16-52 stating that the Authority will not be able to approve the Year 2017 budget for submission to Trenton until after its meeting scheduled for November 10, 2016; and

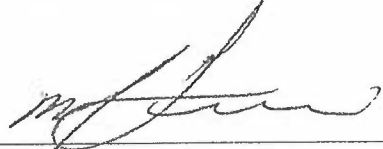
WHEREAS, the 2017 Budget hasn't yet been submitted to the Commissioners for approval and as such the Authority will not be able to approve the Year 2017 budget for submission to Trenton until after its meeting scheduled for January 19, 2017; and


WHEREAS, the State of New Jersey, Department of Community Affairs, Division of Local Government Services, requires that a budget be filed with them by November 1<sup>st</sup> of each year.

NOW, THEREFORE, BE IT RESOLVED that the Rahway Valley Sewerage Authority hereby requests a postponement of the submission of its 2017 Budget from November 1, 2016, to as soon as possible after its January 19, 2017 meeting.

Offered by:

  
this 15<sup>th</sup> day of December, 2016

  
Chairman

  
Secretary-Treasurer



1050 East Hazelwood Avenue  
Rahway, New Jersey 07065  
www.rahwayvalleysa.com  
Phone: 732-388-0868  
Fax: 732-382-0774

CHAIRMAN  
Michael Furci  
VICE CHAIRMAN  
Robert B. LaCosta  
EXECUTIVE DIRECTOR  
James J. Meehan  
SECRETARY-TREASURER  
Robert J. Materna

October 27, 2016

State of New Jersey  
Dept. of Community Affairs  
Bureau of Authority Regulation Affairs  
Div. of Local Government Services  
101 South Broad Street  
P.O. Box 803  
Trenton, New Jersey 08625-0803

Gentlemen:

I have enclosed one copy of our Resolution #16-52 regarding the late submittal of our 2017 Budget to your office.

If you have any questions or require additional information, please do not hesitate to contact our office.

Sincerely,

Rahway Valley Sewerage Authority

A handwritten signature in black ink, appearing to read "Joanne Grimes", is written over the typed name and title.

Joanne Grimes  
OPA/Office Manager

/jg  
Encls.

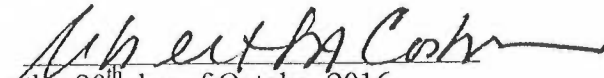
RESOLUTION #16-52

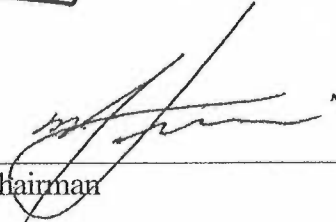
WHEREAS, the Rahway Valley Sewerage Authority will not be able to approve the Year 2017 budget for submission to Trenton until after its meeting scheduled for November 10, 2016; and


WHEREAS, the State of New Jersey, Department of Community Affairs, Division of Local Government Services, requires that a budget be filed with them by November 1<sup>st</sup> of each year.

NOW, THEREFORE, BE IT RESOLVED that the Rahway Valley Sewerage Authority hereby requests a postponement of the submission of its 2017 Budget from November 1, 2016, to as soon as possible thereafter.

Offered by:

  
this 20<sup>th</sup> day of October 2016

  
Chairman

  
Secretary-Treasurer

**2017 AUTHORITY BUDGET**  
**Narrative and Information Section**



# 2017 AUTHORITY BUDGET MESSAGE & ANALYSIS RAHWAY VALLEY SEWERAGE

## AUTHORITY BUDGET

FISCAL YEAR: FROM: January 1, 2017 TO: December 31, 2017

*Answer all questions below. Attach additional pages and schedules as needed.*

1. Complete a brief statement on the 2017 proposed Annual Budget and make comparison to the 2016 adopted budget for each operation. Explain any variances over +/-10% (**As shown on budget page F-4 explain the reason for changes for each appropriation changing more than 10%**) for each line item by operation. Explanations of variances should include a description of the reason for the increase/decrease in the budgeted line item, not just an indication of the amount and percent of the change. Attach any supporting documentation that will help to explain the reason for the increase/decrease in the budgeted line item. For example, if anticipated service charges have increased 15% due to an increase in rates, provide a copy of the resolution authorizing the rate increase.

*Anticipated revenues for the Year 2017 are \$25.3 million as compared to \$25.1 million in the prior year. \$24.4 million (96%) of the Year 2017 revenues represent assessments to the member municipalities. The Year 2017 Budget benefited from the utilization of \$713 thousand of Unreserved Retained Earnings at December 31, 2016. Debt Service payment requirements in the Year 2017 Budget of \$13 million are \$165 thousand higher than the previous year.*

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. An increase or decrease is considered significant if it is over +/-10% from the current year adopted budget.

*Assessments to eleven member municipalities for the Year 2017 amount to \$24.4 million as compared to \$24.8 million in the prior year, a decrease of \$400 thousand (1.5%).*

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 Position in the proposed Annual Budget, i.e. rate stabilization, debt service reduction, to balance the budget, etc. If the Authority's budget anticipates a use of Unrestricted Net Position, this question must be answered.

*The utilization of the \$713 thousand of projected Unreserved Retained Earnings at December 31, 2016 contributed to rate stabilization. The \$713 thousand relates principally to realized 2016 discharges over budget and projected 2016 operating expense savings compared to budget.*

5. Identify any sources of funds transferred to the County/Municipality as a budget subsidy or a shared service and explain the reason for the transfer (i.e.: to balance the County/Municipality budget, etc.).

*Not applicable.*

6. The proposed budget must not reflect an anticipated deficit from 2017 operations. If there exists an accumulated deficit from prior years' budgets (and funding is included in the proposed budget as a result of a prior deficit) explain the funding plan to eliminate said deficit (N.J.S.A. 40A:5A-12). If the Authority has a net deficit reported in its most recent audit, it must provide a deficit reduction plan in response to this question. **(Prepare a response to deficits caused by the implementation of GASB 68)**

*Not applicable.*

7. Attach a schedule of the Authority's existing rate structure (connection fees, parking fees, service charges, etc.) **if it has been changed since the prior year budget submission** and a schedule of the proposed rate structure for the upcoming fiscal year. Explain any proposed changes in the rate structure and attach the resolution approving the change in the rate structure, **if applicable**.

<u>Municipality</u>	<u>2017</u>		<u>2016</u>
Clark	\$ 2,059,105	\$	2,161,067
Cranford	1,626,631		1,734,010
Garwood	634,103		676,057
Kenilworth	707,549		567,173
Mountainside	875,574		841,064
Rahway	4,262,858		4,022,482
Roselle Park	450,441		504,610
Scotch Plains	1,399,297		1,512,061
Springfield	2,537,893		2,561,213
Westfield	3,512,422		3,369,896
Woodbridge	6,355,627		6,851,367
	<u>\$ 24,421,500</u>	\$	<u>24,801,000</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.

## AUTHORITY CONTACT INFORMATION 2017

Please complete the following information regarding this Authority. All information requested below must be completed.

<b>Name of Authority:</b>	Rahway Valley Sewerage Authority		
<b>Federal ID Number:</b>	22-600-2235		
<b>Address:</b>	1050 East Hazelwood Avenue, Rahway, NJ 07065		
<b>City, State, Zip:</b>	Rahway	NJ	07065
<b>Phone: (ext.)</b>	732-388-0868 x 216	<b>Fax:</b>	732-382-0774

<b>Preparer's Name:</b>	Robert J. Materna		
<b>Preparer's Address:</b>	1050 East Hazelwood Avenue, Rahway, NJ 07065		
<b>City, State, Zip:</b>	Rahway	NJ	07065
<b>Phone: (ext.)</b>	732-388-0868 x 216	<b>Fax:</b>	732-382-0774
<b>E-mail:</b>	robertmaterna@rahwayvalleysa.com		

<b>Chief Executive Officer:</b>	James J. Meehan		
<b>Phone: (ext.)</b>	732-388-0868 x 215	<b>Fax:</b>	732-382-0774
<b>E-mail:</b>	jamesmeehan@rahwayvalleysa.com		

<b>Chief Financial Officer:</b>	Robert J. Materna		
<b>Phone: (ext.)</b>	732-388-0868 x 216	<b>Fax:</b>	732-382-0774
<b>E-mail:</b>	robertmaterna@rahwayvalleysa.com		

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

# AUTHORITY INFORMATIONAL QUESTIONNAIRE

## RAHWAY VALLY SEWERAGE AUTHORITY

FISCAL YEAR: FROM: January 1, 2017 TO: December 31, 2017

Answer all questions below completely and attach additional information as required.

- 1) Provide the number of individuals employed in calendar year 2015 as reported on the Authority's Form W-3, Transmittal of Wage and Tax Statements: 63
- 2) Provide the amount of total salaries and wages for calendar year 2015 as reported on the Authority's Form W-3, Transmittal of Wage and Tax Statements: \$4,305,713
- 3) Provide the number of regular voting members of the governing body: 11
- 4) Provide the number of alternate voting members of the governing body: None
- 5) Did any person listed on Page N-4 have a family or business relationship with any other person listed on Page N-4 during the current fiscal year? No *If "yes," attach a description of the relationship including the names of the individuals involved and their positions at the Authority.*
- 6) Did all individuals that were required to file a Financial Disclosure Statement for the current fiscal year because of their relationship with the Authority file the form as required? **(Checked to see if individuals actually filed at [http://fds.state.nj.us/njdca\\_prod/fdssearch.aspx](http://fds.state.nj.us/njdca_prod/fdssearch.aspx) before answering)** Yes *If "no," provide a list of those individuals who failed to file a Financial Disclosure Statement and an explanation as to the reason for their failure to file.*
- 7) Does the Authority have any amounts receivable from current or former commissioners, officers, key employees or highest compensated employees? No *If "yes," attach a list of those individuals, their position, the amount receivable, and a description of the amount due to the Authority.*
- 8) Was the Authority a party to a business transaction with one of the following parties:
  - a. A current or former commissioner, officer, key employee, or highest compensated employee? No
  - b. A family member of a current or former commissioner, officer, key employee, or highest compensated employee? No
  - c. An entity of which a current or former commissioner, officer, key employee, or highest compensated employee (or family member thereof) was an officer or direct or indirect owner? No*If the answer to any of the above is "yes," attach a description of the transaction including the name of the commissioner, officer, key employee, or highest compensated employee (or family member thereof) of the Authority; the name of the entity and relationship to the individual or family member; the amount paid; and whether the transaction was subject to a competitive bid process.*
- 9) Did the Authority during the most recent fiscal year pay premiums, directly or indirectly, on a personal benefit contract? A personal benefit contract is generally any life insurance, annuity, or endowment contract that benefits, directly or indirectly, the transferor, a member of the transferor's family, or any other person designated by the transferor. No *If "yes," attach a description of the arrangement, the premiums paid, and indicate the beneficiary of the contract.*
- 10) Explain the Authority's process for determining compensation for all persons listed on Page N-4. Include whether the Authority's process includes any of the following: 1) review and approval by the commissioners or a committee thereof; 2) study or survey of compensation data for comparable positions in similarly sized entities; 3) annual or periodic performance evaluation; 4) independent compensation consultant; and/or 5) written employment contract. ***Attach a narrative of your Authority's procedures for all employees. (see Page N-3 (3 of 3))***
- 11) Did the Authority pay for meals or catering during the current fiscal year? Yes *If "yes," attach a detailed list of all meals and/or catering invoices for the current fiscal year and provide an explanation for each expenditure listed. (see Page N-3 (3 of 3))*
- 12) Did the Authority pay for travel expenses for any employee or individual listed on Page N-4? Yes *If "yes," attach a detailed list of all travel expenses for the current fiscal year and provide an explanation for each expenditure listed. (see Page N-3 (3 of 3))*

- 13) Did the Authority provide any of the following to or for a person listed on Page N-4 or any other employee of the Authority:
- a. First class or charter travel No
  - b. Travel for companions No
  - c. Tax indemnification and gross-up payments No
  - d. Discretionary spending account No
  - e. Housing allowance or residence for personal use No
  - f. Payments for business use of personal residence No
  - g. Vehicle/auto allowance or vehicle for personal use Yes (*see Page N-3 (3 of 3)*)
  - h. Health or social club dues or initiation fees No
  - i. Personal services (i.e.: maid, chauffeur, chef) No
- If the answer to any of the above is "yes," attach a description of the transaction including the name and position of the individual and the amount expended.*
- 14) Did the Authority follow a written policy regarding payment or reimbursement for expenses incurred by employees and/or commissioners during the course of Authority business and does that policy require substantiation of expenses through receipts or invoices prior to reimbursement? Yes *If "no," attach an explanation of the Authority's process for reimbursing employees and commissioners for expenses. (If your authority does not allow for reimbursements indicate that in answer)*
- 15) Did the Authority make any payments to current or former commissioners or employees for severance or termination? No *If "yes," attach explanation including amount paid.*
- 16) Did the Authority make any payments to current or former commissioners or employees that were contingent upon the performance of the Authority or that were considered discretionary bonuses? No *If "yes," attach explanation including amount paid.*
- 17) Did the Authority comply with its Continuing Disclosure Agreements for all debt issuances outstanding by submitting its audited annual financial statements, annual operating data, and notice of material events to the Municipal Securities Rulemaking Board's Electronic Municipal Marketplace Access (EMMA) as required? Yes *If "no," attach a description of the Authority's plan to ensure compliance with its Continuing Disclosure Agreements in the future.*
- 18) Did the Authority receive any notices from the Department of Environmental Protection or any other entity regarding maintenance or repairs required to the Authority's systems to bring them into compliance with current regulations and standards that it has not yet taken action to remediate? No *If "yes," attach explanation as to why the Authority has not yet undertaken the required maintenance or repairs and describe the Authority's plan to address the conditions identified.*
- 19) Did the Authority receive any notices of fines or assessments from the Department of Environmental Protection or any other entity due to noncompliance with current regulations (i.e.: sewer overflow, etc.)? No *If "yes," attach a description of the event or condition that resulted in the fine or assessment and indicate the amount of the fine or assessment.*

**RAHWAY VALLEY SEWERAGE AUTHORITY  
2017 AUTHORITY BUDGET INFORMATION  
AUTHORITY INFORMATIONAL QUESTIONNAIRE**

**Question #10- Compensation Process**

**Employees** -All employees receive annual performance evaluations following which, Authority Management makes a determination of Administrative salary increases that is presented to the Board's Personnel Committee. The Board's Personnel Committee in turn presents a motion to the Board concerning Administrative salary increases.

Board Members Stipends are addressed in the Authority's 1995 Agreement among the Eleven Member Municipalities.

**Question #11- Meals Catering**

Board and Committee Meetings held in the evening are generally attended by eleven (11) Commissioners and (7) Management Employees.

A listing of the catering costs related to these Meetings for the year ended December 31, 2015 follows:

Date	Meeting Description	Cost
1/18/2015	Engineering Committee	192.46
1/15/2015	Board Meeting	202.00
2/19/2015	Board Meeting	221.00
3/19/2015	Board Meeting	216.14
4/9/2015	Engineering Committee	194.50
4/16/2015	Board Meeting	221.00
5/14/2015	Board Meeting	250.00
6/11/2015	Engineering Committee	190.00
6/18/2015	Board Meeting	216.00
7/16/2015	Board Meeting	205.98
8/20/2015	Board Meeting	214.00
9/17/2015	Board Meeting	221.00
10/8/2015	Engineering Committee	178.00
10/15/2015	Board Meeting	221.00
11/5/2015	Engineering Committee	227.90
11/12/2015	Board Meeting	221.00
12/14/2015	Board Meeting	221.00
		\$ 3,612.98

**Question #12- Travel (Individuals listed on Page N-4)**

Travel expenses of employees listed on page N-4 amounted to approximately \$3,500 in 2015. Such expenses relate principally to attendance at the AEA Spring and Fall Conferences.

**Question #13g (Vehicle allowance)**

The Year 2015 dollar value of personal use of Authority vehicles by employees amounts to approximately \$8,600.

**AUTHORITY SCHEDULE OF COMMISSIONERS, OFFICERS, KEY EMPLOYEES,  
HIGHEST COMPENSATED EMPLOYEES AND INDEPENDENT CONTRACTORS  
RAHWAY VALLEY SEWERAGE AUTHORITY**

**FISCAL YEAR: FROM: January 1, 2017 TO: December 31, 2017**

*Complete the attached table for all persons required to be listed per #1-4 below.*

- 1) List all of the Authority's current commissioners and officers and amount of compensation from the Authority and any other public entities as defined below. Enter zero if no compensation was paid.
- 2) List all of the Authority's key employees and highest compensated employees other than a commissioner or officer as defined below and amount of compensation from the Authority and any other public entities.
- 3) List all of the Authority's former officers, key employees and highest compensated employees who received more than \$100,000 in reportable compensation from the Authority and any other public entities during the most recent fiscal year completed.
- 4) List all of the Authority's former commissioners who received more than \$10,000 in reportable compensation from the Authority and any other public entities during the most recent fiscal year completed.

**Commissioner:** A member of the governing body of the authority with voting rights. Include alternates for purposes of this schedule.

**Officer:** A person elected or appointed to manage the authority's daily operations at any time during the year, such as the chairperson, vice-chairperson, secretary, or treasurer. For the purposes of this schedule, treat the authority's top management official and top financial official as officers. A member of the governing body may be both a commissioner and an officer for the purposes of this schedule.

**Key employee:** An employee or independent contractor of the authority (other than a commissioner or officer) who meets both of the following criteria:

- a) The individual received reportable compensation from the authority and other public entities in excess of \$150,000 for the most recent fiscal year completed; and
- b) The individual has responsibilities or influence over the authority as a whole or has power to control or determine 10% or more of the authority's capital expenditures or operating budget.

**Highest compensated employee:** One of the five highest compensated employees or independent contractors of the authority other than current commissioners, officers, or key employees whose aggregate reportable compensation from the authority and other public entities is greater than \$100,000 for the most recent fiscal year completed.

**Compensation:** All forms of cash and non-cash payments or benefits provided in exchange for services, including salaries and wages, bonuses, severance payments, deferred payments, retirement benefits, fringe benefits, and other financial arrangements or transactions such as personal vehicles, meals, housing, personal and family education benefits, below-market loans, payment of personal or family travel, entertainment, and personal use of the Authority's property. Compensation includes payments and other benefits provided to both employees and independent contractors in exchange for services.

**Reportable compensation:** The aggregate compensation that is reported (or is required to be reported) on Form W-2, box 1 or 5, whichever amount is greater, and/or Form 1099-MISC, box 7, for the most recent calendar year ended 60 days before the start of the proposed budget year. For example, for fiscal years ending December 31, 2017, the calendar year 2015 W-2 and 1099 should be used (60 days prior to start of budget year is November 1, 2016, with 2014 being the most recent calendar year ended), and for fiscal years ending June 30, 2018, the calendar year 2016 W-2 and 1099 should be used (60 days prior to start of budget year is May 1, 2017, with 2016 being the most recent calendar year ended).

**Other Public Entity:** Any municipality, county, local authority, fire district, or other government unit, regardless of whether it is related in any way to the Authority either by function or by physical location.

Authority Schedule of Commissioners, Officers, Key Employees, Highest Compensated Employees and Independent Contractors (Continued)

For the Period January 1, 2017 to December 31, 2017

Reportable Compensation from Authority (W-2/ 1099)

Name	Title	Average Hours per Week Dedicated to Position	Commissioner	Officer	Key Employee	Former Highest Compensated Employee	Reportable Compensation from Authority (W-2/ 1099)		Total Compensation from Authority (health benefits, pension, etc.)	Estimated amount of other compensation from the Authority (health benefits, pension, etc.)	Names of Other Public Entities where individual is an Employee or Member of the Governing Body (1) See note below	Positions held at Other Public Entities Listed in Column O	Average Hours per Week Dedicated to Positions at Other Public Entities Listed in Column O	Reportable Compensation from Other Public Entities (W-2/ 1099)	Estimated amount of other compensation from Other Public Entities (health benefits, pension, payment in lieu of health benefits, etc.)	Total Compensation All Public Entities
							Base Salary/ Stipend	Other (auto allowance, expense account, payment in lieu of health benefits, etc.)								
1 Frank Viazzarella	Commissioner	2 X	2 X				\$ 600	\$ 780	\$ 1,380	Clark	Councilman	8	\$ 6,756		\$ 8,136	
2 Mark Dugan	Commissioner	2 X	2 X				\$ 600	180	780	None	IPP/GIS Eng.	40	140,560	18,146	158,706	
3 Louis Lamba	Commissioner	2 X	2 X				\$ -	453	0	PVSC	Plan/Zone Brd.	3			1,053	
4 Stephen Greet	Commissioner	2 X	2 X				\$ 600	760	1,053	Garwood					1,360	
5 Richard LoForre	Commissioner	2 X	2 X				\$ 600	180	1,360	None					780	
6 John Tomaine	Commissioner	2 X	2 X				\$ 600	311	780	None	PR Assistant	35	53,000	24,682	78,543	
7 Robert Rachlin	Commissioner	2 X	2 X				\$ 600	600	911	Union County					1,200	
8 Attilio Venturo	Commissioner	2 X	2 X				\$ -	600	1,200	None					0	
9 Michael Connelly	Commissioner	2 X	2 X				\$ 600	780	1,380	Scotch Plains&PARSA	Eng./Commis.	50	172,000	7,500	180,880	
10 Robert LaCosta	Commissioner	2 X	2 X				\$ -	754	0	None					0	
11 Michael Furci	Chairman	2 X	2 X				\$ 2,000	754	2,754	None					2,754	
12 Allen Chin	Commissioner	2 X	2 X				\$ 600	180	780	Woodbridge	Twp. Eng.	35	144,514	12,500	157,794	
13 Scott Thompson	Commissioner	2 X	2 X				\$ 600	180	0	0					0	
14								0	0	0					0	
15							\$ 7,400	\$ -	\$ -	\$ 4,978			\$ 12,378	\$ -	\$ 62,778	\$ 591,986
Total																

(1) Insert "None" in this column for each individual that does not hold a position with another Public Entity



Authority Schedule of Commissioners, Officers, Key Employees, Highest Compensated Employees and Independent Contractors (Continued)

For the Period January 1, 2017 to December 31, 2017  
 Rahway Valley Sewerage Authority

Reportable Compensation from Authority (W-2/ 1099)

Name	Title	Average Hours per Week Dedicated to Position	Position			Base Salary/ Stipend	Reportable Compensation from Authority (W-2/ 1099)		Estimated amount of other compensation from Authority (health benefits, pension, etc.)	Total Compensation from Authority	Names of Other Public Entities where Individual is an Employee or Member of the Governing Body (1) See note below	Average Hours per Week Dedicated to Positions at Other Public Entities Listed in Column O	Reportable Compensation from Other Public Entities (W-2/ 1099)	Estimated amount of other compensation from Other Public Entities (health benefits, pension, payment in lieu of health benefits, etc.)	Total Compensation All Public Entities
			Commissioner	Officer	Key Employee		Highest Compensated Employee	Former							
1 James J. Meehan	Executive Director	40		X		\$ 164,500	\$ 18,030	\$ 33,994	\$ 216,524					\$ 216,524	
2 Robert J. Materna	Secretary-Treasurer	35	X			97,878		21,985	119,863					119,863	
3 Robert Valent	Deputy Director	40			X	127,021	2,949	24,723	154,693					154,693	
4									0					0	
5									0					0	
6									0					0	
7									0					0	
8									0					0	
9									0					0	
10									0					0	
11									0					0	
12									0					0	
13									0					0	
14									0					0	
15									0					0	
<b>Total</b>									\$ 389,399	\$ 20,979	\$ 80,702	\$ 491,080	\$ -	\$ 491,080	

(1) Insert "None" in this column for each individual that does not hold a position with another Public Entity

# Schedule of Health Benefits - Detailed Cost Analysis

Rahway Valley Sewerage Authority  
For the Period January 1, 2017 to December 31, 2017

	# of Covered Members (Medical & Rx)		Annual Cost Estimate per Employee Proposed Budget		Total Cost Estimate Proposed Budget		# of Covered Members (Medical & Rx) Current Year		Annual Cost per Employee Current Year		\$ Increase (Decrease)		% Increase (Decrease)	
	Proposed Budget	Actual	Proposed Budget	Actual	Proposed Budget	Actual	Current Year	Year Prior	Current Year	Year Prior	Current Year	Year Prior		
<b>Active Employees - Health Benefits - Annual Cost</b>														
Single Coverage	12		\$ 11,098		\$ 133,176		13		\$ 11,160		\$ 145,080		\$ (11,904)	-8.2%
Parent & Child	9		19,955		179,595		8		20,007		160,056		19,539	12.2%
Employee & Spouse (or Partner)	9		21,754		195,786		10		22,325		223,250		(27,464)	-12.3%
Family	22		30,835		678,370		19		30,791		585,029		93,341	16.0%
Employee Cost Sharing Contribution (enter as negative - )					(268,197)						(274,781)		6,584	-2.4%
Subtotal	52				918,730		50				838,634		80,096	9.6%
<b>Commissioners - Health Benefits - Annual Cost</b>														
Single Coverage	0		-		-		0		-		-		-	#DIV/0!
Parent & Child	0		-		-		0		-		-		-	#DIV/0!
Employee & Spouse (or Partner)	0		-		-		0		-		-		-	#DIV/0!
Family	0		-		-		0		-		-		-	#DIV/0!
Employee Cost Sharing Contribution (enter as negative - )														#DIV/0!
Subtotal	0						0							#DIV/0!
<b>Retirees - Health Benefits - Annual Cost</b>														
Single Coverage	9		9,036		81,324		9		8,401		75,609		5,715	7.6%
Parent & Child	0		-		-		1		10,560		10,560		(10,560)	-100.0%
Employee & Spouse (or Partner)	13		17,173		223,249		11		16,350		179,850		43,399	24.1%
Family	2		21,981		43,962		2		21,032		42,064		1,898	4.5%
Employee Cost Sharing Contribution (enter as negative - )														#DIV/0!
Subtotal	24				348,535		23				308,083		40,452	13.1%
<b>GRAND TOTAL</b>	<b>76</b>				<b>\$1,267,265</b>		<b>73</b>				<b>\$ 1,146,717</b>		<b>\$ 120,548</b>	<b>10.5%</b>

Yes	Yes or No
Yes	Yes or No

Is medical coverage provided by the SHBP (Yes or No)? (Place Answer in Box)  
Is prescription drug coverage provided by the SHBP (Yes or No)? (Place Answer in Box)

**Note: Remember to Enter an amount in rows for Employee Cost Sharing**

# Schedule of Accumulated Liability for Compensated Absences

Rahway Valley Sewerage Authority

For the Period January 1, 2017 to December 31, 2017

Complete the below table for the Authority's accrued liability for compensated absences.

X  Box if Authority has no Compensated Absences

Individuals Eligible for Benefit	Gross Days of Accumulated Compensated Absences at beginning of Current Year	Dollar Value of Accrued Compensated Absence Liability	Legal Basis for Benefit (check applicable items)		
			Approved Labor Agreement	Resolution	Individual Employment Agreement
See Attachment as of December 31, 2015		\$ 185,355			
<b>Total liability for accumulated compensated absences at beginning of current year</b>		<b>\$ 185,355</b>			

The total Amount Should agree to most recently issued audit report for the Authority

Rahway Valley Sewerage Authority  
 2017 Authority Budget Information  
 Page N-6 - Schedule of Accumulated Liability For Compensated Absences  
 December 31,2015

Individuals Eligible for Benefit	Gross Days of Accumulated Compensated Absences at beginning of Current Year	Dollar Value of Accrued Compensated Absence Liability	Approved Labor Agreement	Resolution	Individual Employment Agreement
Baez	5.75	\$1,496	x		
Blake	0	0	x		
Brinker	2	406	x		
Desimone	4	1,153	x		
Dones, H.	0.5	136	x		
Dymyd	9	2,238	x		
Franklin	1.25	316	x		
Geardino	3	693	x		
Guerra	2	508	x		
Higgins	7	1,855	x		
Kellaway	5	1,243	x		
Madall	6	1,406	x		
Malta	7	1,617	x		
Melendez	0.75	195	x		
McCoy	2	505	x		
Melnick	0	0	x		
Mladenovic	0.75	192	x		
Moreira	4.5	1,168	x		
Pasqualicchio	4.5	1,119	x		
Payano	0	0	x		
Pitusiak	3	520	x		
Privado, H.	4.5	1,172	x		
Remite	9	2,496	x		
Rivera	0.25	64	x		
Thor	3	927	x		
Tierney	3	741	x		
Vantuh	9.75	2,562	x		
Vigliarolo	2	294	x		
Watters, C	2	346	x		
Watters, T.	1.25	289	x		
Yachera	2.25	687	x		
Buonocore	23	10,391			x
Cheskowich	1	512			x
Chironna	45	4,124			x
Corris	11	3,321			x
DeCarlo	13	2,310			x
Gencarelli	9	4,580			x
Grimes	9	3,368			x
Kochick	34	12,195			x
Macaluso	24	8,434			x
Manigold	24	9,215			x
Materna	41	19,679			x
Meehan	8	5,062			x
Patrick	19	6,144			x
Poltz	17	7,237			x
Privado, M.	3	785			x
Reno	5	1,420			x
Safchinsky	20	8,008			x
Sasso	44	17,999			x
Schippe	22	5,872			x
Teixeira	18	6,250			x
Thevenin	27	8,696			x
Valent	17	8,720			x
Ward	9	4,689			x
		<b>\$185,355</b>			

# Schedule of Shared Service Agreements

Rahway Valley Sewerage Authority  
 January 1, 2017 to December 31, 2017

*Enter the shared service agreements that the Authority currently engages in and identify the amount that is received/paid for those services.*

Name of Entity Providing Service	Name of Entity Receiving Service	Type of Shared Service Provided	Comments (Enter more specifics if needed)	Agreement Effective Date	Agreement End Date	Amount to be Received by/ Paid from Authority

If No Shared Services X this Box

**2017 AUTHORITY BUDGET**

**Financial Schedules Section**

# SUMMARY

Rahway Valley Sewerage Authority  
 For the Period January 1, 2017 to December 31, 2017

	<b>FY 2017 Proposed Budget</b>					<b>FY 2016 Adopted Budget</b>	<b>Total All Operations</b>	<b>All Operations</b>	<b>All Operations</b>	<b>% Increase (Decrease) Proposed vs. Adopted</b>		
	<b>Operation</b>		<b>Total All Operations</b>		<b>Total All Operations</b>						<b>All Operations</b>	<b>All Operations</b>
	<b>Operation #1</b>	<b>#2</b>	<b>N/A</b>	<b>N/A</b>								
<b>REVENUES</b>												
Total Operating Revenues	\$ 25,025,750	\$ -	\$ -	\$ -	\$ 25,025,750	\$ 25,122,750	\$ (97,000)	-0.4%				
Total Non-Operating Revenues	237,000	-	-	-	237,000	1,000	236,000	23600.0%				
Total Anticipated Revenues	25,262,750	-	-	-	25,262,750	25,123,750	139,000	0.6%				
<b>APPROPRIATIONS</b>												
Total Administration	3,561,500	-	-	-	3,561,500	3,363,538	197,962	5.9%				
Total Cost of Providing Services	8,798,500	-	-	-	8,798,500	9,231,462	(432,962)	-4.7%				
Total Principal Payments on Debt Service in Lieu of Depreciation	10,765,000	-	-	-	10,765,000	10,473,000	292,000	2.8%				
Total Operating Appropriations	23,125,000	-	-	-	23,125,000	23,068,000	57,000	0.2%				
Total Interest Payments on Debt	2,235,000	-	-	-	2,235,000	2,362,000	(127,000)	-5.4%				
Total Other Non-Operating Appropriations	616,250	-	-	-	616,250	393,750	222,500	56.5%				
Total Non-Operating Appropriations	2,851,250	-	-	-	2,851,250	2,755,750	95,500	3.5%				
Accumulated Deficit	-	-	-	-	-	-	-	#DIV/0!				
Total Appropriations and Accumulated Deficit	25,976,250	-	-	-	25,976,250	25,823,750	152,500	0.6%				
Less: Total Unrestricted Net Position Utilized	713,500	-	-	-	713,500	700,000	13,500	1.9%				
Net Total Appropriations	25,262,750	-	-	-	25,262,750	25,123,750	139,000	0.6%				
<b>ANTICIPATED SURPLUS (DEFICIT)</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	#DIV/0!				

## Revenue Schedule

### Rahway Valley Sewerage Authority

For the Period January 1, 2017 to December 31, 2017

	<b>FY 2017 Proposed Budget</b>						<b>FY 2016 Adopted Budget</b>	<b>\$ Increase (Decrease) Proposed vs. Adopted</b>	<b>% Increase (Decrease) Proposed vs. Adopted</b>		
	Operation #1	Operation #2	N/A	N/A	N/A	N/A	<b>Total All Operations</b>	<b>Total All Operations</b>	<b>All Operations</b>	<b>All Operations</b>	
<b>OPERATING REVENUES</b>											
<i>Service Charges</i>											
Residential							\$ -	\$ -	\$ -	#DIV/0!	
Business/Commercial							-	-	-	#DIV/0!	
Industrial							-	-	-	#DIV/0!	
Intergovernmental	24421500					-	24,421,500	24,801,000	(379,500)	-1.5%	
Other							-	-	-	#DIV/0!	
<b>Total Service Charges</b>	<b>24,421,500</b>	-	-	-	-	-	<b>24,421,500</b>	<b>24,801,000</b>	<b>(379,500)</b>	<b>-1.5%</b>	
<i>Connection Fees</i>											
Residential							4,000	3,000	1,000	33.3%	
Business/Commercial	9000					-	9,000	1,000	8,000	800.0%	
Industrial							-	-	-	#DIV/0!	
Intergovernmental							-	-	-	#DIV/0!	
Other							-	-	-	#DIV/0!	
<b>Total Connection Fees</b>	<b>13,000</b>	-	-	-	-	-	<b>13,000</b>	<b>4,000</b>	<b>9,000</b>	<b>225.0%</b>	
<i>Parking Fees</i>											
Meters							-	-	-	#DIV/0!	
Permits							-	-	-	#DIV/0!	
Fines/Penalties							-	-	-	#DIV/0!	
Other							-	-	-	#DIV/0!	
<b>Total Parking Fees</b>	-	-	-	-	-	-	-	-	-	#DIV/0!	
<i>Other Operating Revenues (List)</i>											
Discharge Fees							0	-	100,000	(100,000)	-100.0%
Grants	375000					-	375,000	-	375,000	#DIV/0!	
Permit Fees	196500					-	196,500	210,000	(13,500)	-6.4%	
Other	19750					-	19,750	7,750	12,000	154.8%	
Type in (Grant, Other Rev)							-	-	-	#DIV/0!	
Type in (Grant, Other Rev)							-	-	-	#DIV/0!	
Type in (Grant, Other Rev)							-	-	-	#DIV/0!	
Type in (Grant, Other Rev)							-	-	-	#DIV/0!	
Type in (Grant, Other Rev)							-	-	-	#DIV/0!	
Type in (Grant, Other Rev)							-	-	-	#DIV/0!	
<b>Total Other Revenue</b>	<b>591,250</b>	-	-	-	-	-	<b>591,250</b>	<b>317,750</b>	<b>-273,500</b>	<b>86.1%</b>	
<b>Total Operating Revenues</b>	<b>25,025,750</b>	-	-	-	-	-	<b>25,025,750</b>	<b>25,122,750</b>	<b>(97,000)</b>	<b>-0.4%</b>	
<b>NON-OPERATING REVENUES</b>											
<i>Other Non-Operating Revenues (List)</i>											
Claim Settlement proceeds	234,000					-	234,000	-	234,000	#DIV/0!	
Other							-	-	-	#DIV/0!	
Type in							-	-	-	#DIV/0!	
Type in							-	-	-	#DIV/0!	
Type in							-	-	-	#DIV/0!	
Type in							-	-	-	#DIV/0!	
<b>Total Other Non-Operating Revenue</b>	<b>234,000</b>	-	-	-	-	-	<b>234,000</b>	-	<b>234,000</b>	#DIV/0!	
<i>Interest on Investments &amp; Deposits (List)</i>											
Interest Earned							3,000	3,000	1,000	2,000	200.0%
Penalties							-	-	-	#DIV/0!	
Other							-	-	-	#DIV/0!	
<b>Total Interest</b>	<b>3,000</b>	-	-	-	-	-	<b>3,000</b>	<b>1,000</b>	<b>2,000</b>	<b>200.0%</b>	
<b>Total Non-Operating Revenues</b>	<b>237,000</b>	-	-	-	-	-	<b>237,000</b>	<b>1,000</b>	<b>236,000</b>	<b>23600.0%</b>	
<b>TOTAL ANTICIPATED REVENUES</b>	<b>\$ 25,262,750</b>	\$ -	\$ -	\$ -	\$ -	\$ -	<b>\$ 25,262,750</b>	<b>\$ 25,123,750</b>	<b>\$ 139,000</b>	<b>0.6%</b>	



**RAHWAY VALLEY SEWERAGE AUTHORITY**  
**2017 BUDGET DOCUMENT**  
**CALENDAR YEARS- 2017& 2016**  
**ATTACHMENT to PAGES F-2 & F-3**  
**SERVICE CHARGES**

<u>Municipality</u>	<u>2017</u>	<u>2016</u>
Clark	\$ 2,059,105	\$ 2,161,067
Cranford	1,626,631	1,734,010
Garwood	634,103	676,057
Kenilworth	707,549	567,173
Mountainside	875,574	841,064
Rahway	4,262,858	4,022,482
Roselle Park	450,441	504,610
Scotch Plains	1,399,297	1,512,061
Springfield	2,537,893	2,561,213
Westfield	3,512,422	3,369,896
Woodbridge	6,355,627	6,851,367
	<u>\$ 24,421,500</u>	<u>\$ 24,801,000</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.

# Prior Year Adopted Revenue Schedule

## Rahway Valley Sewerage Authority

### FY 2016 Adopted Budget

	Operation						Total All Operations
	Operation #1	#2	N/A	N/A	N/A	N/A	
<b>OPERATING REVENUES</b>							
<i>Service Charges</i>							
Residential							\$ -
Business/Commercial							-
Industrial							-
Intergovernmental							24,801,000
Other							-
Total Service Charges	24,801,000	-	-	-	-	-	24,801,000
<i>Connection Fees</i>							
Residential							3,000
Business/Commercial							1,000
Industrial							-
Intergovernmental							-
Other							-
Total Connection Fees	4,000	-	-	-	-	-	4,000
<i>Parking Fees</i>							
Meters							-
Permits							-
Fines/Penalties							-
Other							-
Total Parking Fees	-	-	-	-	-	-	-
<i>Other Operating Revenues (List)</i>							
Discharge Fees							100,000
Permit Fees							210,000
Other							7,750
Tyj Other							-
Type in (Grant, Other Rev)							-
Type in (Grant, Other Rev)							-
Type in (Grant, Other Rev)							-
Type in (Grant, Other Rev)							-
Type in (Grant, Other Rev)							-
Type in (Grant, Other Rev)							-
Total Other Revenue	317,750	-	-	-	-	-	317,750
Total Operating Revenues	25,122,750	-	-	-	-	-	25,122,750
<b>NON-OPERATING REVENUES</b>							
<i>Other Non-Operating Revenues (List)</i>							
Type in							-
Type in							-
Type in							-
Type in							-
Type in							-
Type in							-
Total Other Non-Operating Revenues	-	-	-	-	-	-	-
<i>Interest on Investments &amp; Deposits</i>							
Interest Earned							1,000
Penalties							-
Other							-
Total Interest	1,000	-	-	-	-	-	1,000
Total Non-Operating Revenues	1,000	-	-	-	-	-	1,000
<b>TOTAL ANTICIPATED REVENUES</b>	<b>\$ 25,123,750</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 25,123,750</b>

# Appropriations Schedule

## Rahway Valley Sewerage Authority

For the Period January 1, 2017 to December 31, 2017

	<b>FY 2017 Proposed Budget</b>						<i>FY 2016 Adopted Budget</i>	<i>\$ Increase (Decrease) Proposed vs. Adopted</i>	<i>% Increase (Decrease) Proposed vs. Adopted</i>
	Operation						Total All Operations	Total All Operations	All Operations
	Operation #1	#2	N/A	N/A	N/A	N/A	Total All Operations	Total All Operations	All Operations
<b>OPERATING APPROPRIATIONS</b>									
<i>Administration - Personnel</i>									
Salary & Wages	\$ 1,400,000					\$ 1,400,000	\$ 1,280,000	\$ 120,000	9.4%
Fringe Benefits	1,000,000					1,000,000	987,900	12,100	1.2%
<b>Total Administration - Personnel</b>	<b>2,400,000</b>					<b>2,400,000</b>	<b>2,267,900</b>	<b>132,100</b>	<b>5.8%</b>
<i>Administration - Other (List)</i>									
Professional Services	565,750					565,750	523,250	42,500	8.1%
General Insurance	310,000					310,000	302,000	8,000	2.6%
Information Technology	104,000					104,000	90,000	14,000	15.6%
Other	181,750					181,750	180,388	1,362	0.8%
Miscellaneous Administration*						-	-	-	#DIV/0!
<b>Total Administration - Other</b>	<b>1,161,500</b>					<b>1,161,500</b>	<b>1,095,638</b>	<b>65,862</b>	<b>6.0%</b>
<b>Total Administration</b>	<b>3,561,500</b>					<b>3,561,500</b>	<b>3,363,538</b>	<b>197,962</b>	<b>5.9%</b>
<i>Cost of Providing Services - Personnel</i>									
Salary & Wages	3,166,000					3,166,000	3,175,000	(9,000)	-0.3%
Fringe Benefits	1,538,000					1,538,000	1,445,100	92,900	6.4%
<b>Total COPS - Personnel</b>	<b>4,704,000</b>					<b>4,704,000</b>	<b>4,620,100</b>	<b>83,900</b>	<b>1.8%</b>
<i>Cost of Providing Services - Other (List)</i>									
Electricity and Natural Gas	1,275,000					1,275,000	1,940,000	(665,000)	-34.3%
Residual Disposal	370,000					370,000	486,000	(116,000)	-23.9%
Maintenance	820,000					820,000	967,000	(147,000)	-15.2%
Other	1,629,500					1,629,500	1,218,362	411,138	33.7%
Miscellaneous COPS*						-	-	-	#DIV/0!
<b>Total COPS - Other</b>	<b>4,094,500</b>					<b>4,094,500</b>	<b>4,611,362</b>	<b>(516,862)</b>	<b>-11.2%</b>
<b>Total Cost of Providing Services</b>	<b>8,798,500</b>					<b>8,798,500</b>	<b>9,231,462</b>	<b>(432,962)</b>	<b>-4.7%</b>
<b>Total Principal Payments on Debt Service in Lieu of Depreciation</b>	<b>10,765,000</b>					<b>10,765,000</b>	<b>10,473,000</b>	<b>292,000</b>	<b>2.8%</b>
<b>Total Operating Appropriations</b>	<b>23,125,000</b>					<b>23,125,000</b>	<b>23,068,000</b>	<b>57,000</b>	<b>0.2%</b>
<b>NON-OPERATING APPROPRIATIONS</b>									
Total Interest Payments on Debt	2,235,000					2,235,000	2,362,000	(127,000)	-5.4%
Operations & Maintenance Reserve						-	-	-	#DIV/0!
Renewal & Replacement Reserve	675,000					675,000	300,000	375,000	125.0%
Municipality/County Appropriation						-	-	-	#DIV/0!
Other Reserves	(58,750)					(58,750)	93,750	(152,500)	-162.7%
<b>Total Non-Operating Appropriations</b>	<b>2,851,250</b>					<b>2,851,250</b>	<b>2,755,750</b>	<b>95,500</b>	<b>3.5%</b>
<b>TOTAL APPROPRIATIONS</b>	<b>25,976,250</b>					<b>25,976,250</b>	<b>25,823,750</b>	<b>152,500</b>	<b>0.6%</b>
<b>ACCUMULATED DEFICIT</b>									
<b>TOTAL APPROPRIATIONS &amp; ACCUMULATED DEFICIT</b>	<b>25,976,250</b>					<b>25,976,250</b>	<b>25,823,750</b>	<b>152,500</b>	<b>0.6%</b>
<b>UNRESTRICTED NET POSITION UTILIZED</b>									
Municipality/County Appropriation						-	-	-	#DIV/0!
Other	713,500					713,500	700,000	13,500	1.9%
<b>Total Unrestricted Net Position Utilized</b>	<b>713,500</b>					<b>713,500</b>	<b>700,000</b>	<b>13,500</b>	<b>1.9%</b>
<b>TOTAL NET APPROPRIATIONS</b>	<b>\$ 25,262,750</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 25,262,750</b>	<b>\$ 25,123,750</b>	<b>\$ 139,000</b>	<b>0.6%</b>

\* Miscellaneous line items may not exceed 5% of total operating appropriations shown below. If amount in miscellaneous is greater than the amount shown below, then the line item must be itemized above.

5% of Total Operating Appropriations \$ 1,156,250.00 \$ - \$ - \$ - \$ - \$ - \$ 1,156,250.00

RAHWAY VALLEY SEWERAGE AUTHORITY  
2017 AUTHORITY BUDGET INFORMATION  
PAGES F-1, F-2 AND F-4...% INCREASE(DECREASE)+/10% PROPOSED 17 VS ADOPTED 16

1/25/2017

PAGE
F-1

The \$236,000(23,600%) increase in Total Non-Operating Revenues relates principally to a Claim Settlement to be realized in 2017.  
The \$222,500(56.5%) increase in Total Other Non-Operating Appropriations principally relates to grant proceeds.

F-2
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The \$9,000(225%) increase in Connection Fees is attributable to expected activity in the Year 2017.  
The \$100,000(100%) decrease in Discharge Fees relates to the completion of a contract with another Gov't Agency.  
The \$375,000(100%) increase relates to Grants.  
The \$253,750(79.9%) increase in Total Other Revenues is principally attributable to Grants.  
The \$12,000(154.8%) increase in Other Revenues relates to anticipated sundry revenues.  
The \$273,500(86.1%) increase in relates principally to grants.  
The \$2,000(200%) increase is interest earned relates to expected rate increases.  
The \$236,000 increase (23,600 %) increase in Total Non -Operating Revenues relates principally to the Claim Settlement mentioned above.

F-4
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The \$14,000 (15.6%) increase in Information Technology costs relates to expected needs in 2017.  
The \$665,000(34.3%) decrease in Electricity and Natural Gas is principally to market 'unit cost' rate decreases.  
The \$116,000(23.9%)decrease in Residual Disposal relates to the use of 'dryers' to reduce water content.  
The \$147,000(15.2%) decrease in Maintenance is principally attributable to expected 'needs'.  
The 411,138(33.7%) increase in "Other costs of providing services" relates principally to plant processing modifications.  
The \$516,862(11.2.%) net decrease relates to the three items presented directly above.  
The \$375,000(125.0%) increase is attributable to Grants.  
The \$152,500(162.7%) decrease relates to the "Operating Fund Requirement".

# Prior Year Adopted Appropriations Schedule

## Rahway Valley Sewerage Authority

### FY 2016 Adopted Budget

	Operation						Total All Operations
	Operation #1	#2	N/A	N/A	N/A	N/A	
<b>OPERATING APPROPRIATIONS</b>							
<i>Administration - Personnel</i>							
Salary & Wages	\$ 1,280,000						\$ 1,280,000
Fringe Benefits	987,900						987,900
<b>Total Administration - Personnel</b>	<b>2,267,900</b>	-	-	-	-	-	<b>2,267,900</b>
<i>Administration - Other (List)</i>							
Professional Services	523,250						523,250
General Insurance	302,000						302,000
Information Technology	90,000						90,000
Other	180,388						180,388
Miscellaneous Administration*							-
<b>Total Administration - Other</b>	<b>1,095,638</b>	-	-	-	-	-	<b>1,095,638</b>
<b>Total Administration</b>	<b>3,363,538</b>	-	-	-	-	-	<b>3,363,538</b>
<i>Cost of Providing Services - Personnel</i>							
Salary & Wages	3,175,000						3,175,000
Fringe Benefits	1,445,100						1,445,100
<b>Total COPS - Personnel</b>	<b>4,620,100</b>	-	-	-	-	-	<b>4,620,100</b>
<i>Cost of Providing Services - Other (List)</i>							
Electricity and Natural Gas	1,940,000						1,940,000
Residual Disposal	486,000						486,000
Maintenance	967,000						967,000
Other	1,218,362						1,218,362
Miscellaneous COPS*							-
<b>Total COPS - Other</b>	<b>4,611,362</b>	-	-	-	-	-	<b>4,611,362</b>
<b>Total Cost of Providing Services</b>	<b>9,231,462</b>	-	-	-	-	-	<b>9,231,462</b>
<b>Total Principal Payments on Debt Service in Lieu of Depreciation</b>	<b>10,473,000</b>	-	-	-	-	-	<b>10,473,000</b>
<b>Total Operating Appropriations</b>	<b>23,068,000</b>	-	-	-	-	-	<b>23,068,000</b>
<b>NON-OPERATING APPROPRIATIONS</b>							
Total Interest Payments on Debt	2,362,000						2,362,000
Operations & Maintenance Reserve							-
Renewal & Replacement Reserve	300,000						300,000
Municipality/County Appropriation							-
Other Reserves	93,750						93,750
<b>Total Non-Operating Appropriations</b>	<b>2,755,750</b>	-	-	-	-	-	<b>2,755,750</b>
<b>TOTAL APPROPRIATIONS</b>	<b>25,823,750</b>	-	-	-	-	-	<b>25,823,750</b>
<b>ACCUMULATED DEFICIT</b>							-
<b>TOTAL APPROPRIATIONS &amp; ACCUMULATED DEFICIT</b>	<b>25,823,750</b>	-	-	-	-	-	<b>25,823,750</b>
<b>UNRESTRICTED NET POSITION UTILIZED</b>							
Municipality/County Appropriation							-
Other	700,000						700,000
<b>Total Unrestricted Net Position Utilized</b>	<b>700,000</b>	-	-	-	-	-	<b>700,000</b>
<b>TOTAL NET APPROPRIATIONS</b>	<b>\$ 25,123,750</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 25,123,750</b>

\* Miscellaneous line items may not exceed 5% of total operating appropriations shown below. If amount in miscellaneous is greater than the amount shown below, then the line item must be itemized above.

5% of Total Operating Appropriations    \$1,153,400.00    \$ -    \$ -    \$ -    \$ -    \$ -    \$ -    #####

# Debt Service Schedule - Principal

Rahway Valley Sewerage Authority

If Authority has no debt X this box

	Fiscal Year Ending in					Total Principal Outstanding		
	Proposed Budget Year 2017	2018	2019	2020	2021		2022	Thereafter
<b>Operation #1</b>								
Authority Bonds - NJEIT Obligations	\$ 10,473,000	\$ 11,159,000	\$ 11,427,000	\$ 11,682,000	\$ 11,952,000	\$ 12,252,000	\$ 26,569,500	\$ 95,806,500
Capital Appreciation Bonds							34,700,000	34,700,000
<b>Total</b>	<u>\$ 10,473,000</u>	<u>\$ 11,159,000</u>	<u>\$ 11,427,000</u>	<u>\$ 11,682,000</u>	<u>\$ 11,952,000</u>	<u>\$ 12,252,000</u>	<u>\$ 61,269,500</u>	<u>\$ 130,506,500</u>
<b>Operation #2</b>								
Type in Issue Name								
Total Principal	10,473,000							
Type in Issue Name								
Type in Issue Name								
Type in Issue Name								
Type in Issue Name								
Total Principal								
N/A								
Type in Issue Name								
Type in Issue Name								
Type in Issue Name								
Type in Issue Name								
Total Principal								
N/A								
Type in Issue Name								
Type in Issue Name								
Type in Issue Name								
Type in Issue Name								
Total Principal								
N/A								
Type in Issue Name								
Type in Issue Name								
Type in Issue Name								
Type in Issue Name								
Total Principal								
<b>TOTAL PRINCIPAL ALL OPERATIONS</b>	<u>\$ 10,473,000</u>	<u>\$ 11,159,000</u>	<u>\$ 11,427,000</u>	<u>\$ 11,682,000</u>	<u>\$ 11,952,000</u>	<u>\$ 12,252,000</u>	<u>\$ 61,269,500</u>	<u>\$ 130,506,500</u>

Indicate the Authority's most recent bond rating and the year of the rating by ratings service.

	Moody's	Fitch	Standard & Poors
Bond Rating	Aa3		
Year of Last Rating			

# Debt Service Schedule - Interest

Rahway Valley Sewerage Authority

If Authority has no debt X this box

Fiscal Year Ending in

	Adopted Budget Year 2016	Proposed Budget Year 2017	2018	2019	2020	2021	2022	Thereafter	Total Interest Payments Outstanding
<b>Operation #1</b>									
Authority Bonds- NJEIT Obligations	\$ 2,362,000	\$ 2,235,000	\$ 2,048,000	\$ 1,783,000	\$ 1,507,000	\$ 1,218,000	\$ 917,000	\$ 1,083,500	\$ 10,791,500
Type in Issue Name								78,200,000	78,200,000
Type in Issue Name									-
Type in Issue Name									-
Total Interest Payments	2,362,000	2,235,000	2,048,000	1,783,000	1,507,000	1,218,000	917,000	79,283,500	88,991,500
<b>Operation #2</b>									
Type in Issue Name									-
Type in Issue Name									-
Type in Issue Name									-
Type in Issue Name									-
Total Interest Payments	-	-	-	-	-	-	-	-	-
N/A									
Type in Issue Name									-
Type in Issue Name									-
Type in Issue Name									-
Type in Issue Name									-
Total Interest Payments	-	-	-	-	-	-	-	-	-
N/A									
Type in Issue Name									-
Type in Issue Name									-
Type in Issue Name									-
Type in Issue Name									-
Total Interest Payments	-	-	-	-	-	-	-	-	-
N/A									
Type in Issue Name									-
Type in Issue Name									-
Type in Issue Name									-
Type in Issue Name									-
Total Interest Payments	-	-	-	-	-	-	-	-	-
N/A									
Type in Issue Name									-
Type in Issue Name									-
Type in Issue Name									-
Type in Issue Name									-
Total Interest Payments	-	-	-	-	-	-	-	-	-
<b>TOTAL INTEREST ALL OPERATIONS</b>	<b>\$ 2,362,000</b>	<b>\$ 2,235,000</b>	<b>\$ 2,048,000</b>	<b>\$ 1,783,000</b>	<b>\$ 1,507,000</b>	<b>\$ 1,218,000</b>	<b>\$ 917,000</b>	<b>\$ 79,283,500</b>	<b>\$ 88,991,500</b>

# Net Position Reconciliation

Rahway Valley Sewerage Authority  
 For the Period January 1, 2017 to December 31, 2017

## FY 2017 Proposed Budget

	Operation #1	Operation #2	N/A	N/A	N/A	N/A	Operations	Total All
<b>TOTAL NET POSITION BEGINNING OF CURRENT YEAR (1)</b>								
Less: Invested in Capital Assets, Net of Related Debt (1)	\$ 34,458,167						\$ 34,458,167	
Less: Restricted for Debt Service Reserve (1)	37,689,279						37,689,279	
Less: Other Restricted Net Position (1)	5,899,710						5,899,710	
<b>Total Unrestricted Net Position (1)</b>	<b>(9,130,822)</b>						<b>(9,130,822)</b>	
Less: Designated for Non-Operating Improvements & Repairs								
Less: Designated for Rate Stabilization								
Less: Other Designated by Resolution								
Plus: Accrued Unfunded Pension Liability (1)	11,907,625						11,907,625	
Plus: Accrued Unfunded Other Post-Employment Benefit Liability (1)								
Plus: Estimated Income (Loss) on Current Year Operations (2)	900,000						900,000	
Plus: Other Adjustments (attach schedule)								
<b>UNRESTRICTED NET POSITION AVAILABLE FOR USE IN PROPOSED BUDGET</b>	<b>3,676,803</b>						<b>3,676,803</b>	
Unrestricted Net Position Utilized to Balance Proposed Budget	713,500						713,500	
Unrestricted Net Position Utilized in Proposed Capital Budget	-						-	
Appropriation to Municipality/County (3)	-						-	
<b>Total Unrestricted Net Position Utilized in Proposed Budget</b>	<b>713,500</b>						<b>713,500</b>	
<b>PROJECTED UNRESTRICTED UNDESIGNATED NET POSITION AT END OF YEAR</b>	<b>\$ 2,963,303</b>						<b>\$ 2,963,303</b>	

- (1) Total of all operations for this line item must agree to audited financial statements.
- (2) Include budgeted and unbudgeted use of unrestricted net position in the current year's operations.
- (3) Amount may not exceed 5% of total operating appropriations. See calculation below.  
 Maximum Allowable Appropriation to Municipality/County \$ 1,156,250 \$ - \$ - \$ - \$ - \$ - \$ 1,156,250
- (4) If Authority is projecting a deficit for any operation at the end of the budget period, the Authority must attach a statement explaining its plan to reduce the deficit, including the timeline for elimination of the deficit, if not already detailed in the budget narrative section.



RAHWAY VALLEY SEWERAGE AUTHORITY  
 2017 AUTHORITY BUDGET INFORMATION  
 NET POSITION RECONCILIATION  
 PAGE F-8

Comments

The Authority's Total Unrestricted Net Position Deficiency at December 31, 2015 presented on Page F-8 is \$9,130,822. The Net Position Deficiency includes the following GASB 68 components: (1)an Asset of \$1,571,184;(2) a Liability of \$11,907,625; and a Pension related Deferred Inflow of \$234,142( reference is made to the Authority's 2015 Audited Financial Statements...pages 16 and 17).

The Net Total of the three GASB 68 components mentioned above amounts to a net liability of \$10,570,583 at December 31, 2015. The Authority's Net Unrestricted Position at December 31, 2015, excluding the \$10,570,583 Net GASB components, amounts to a positive amount of \$1,439,761.

Page 34 of the Authority's 2015 Annual Report presents the components of our Unrestricted Net Position at December 31,2015:

Appropriated	\$	700,000
Unappropriated		739,761
Net Pension Liability		<u>(10,570,583)</u>
Total	\$	<u><u>(9,130,822)</u></u>

The Authority expects that the "Appropriated" and "Unappropriated" Net Position amounts at December 31, 2016 will mirror the amounts disclosed above as of December 31, 2015.

2017  
RAHWAY  
VALLEY  
SEWERAGE  
AUTHORITY  
CAPITAL  
BUDGET/  
PROGRAM

# 2017 CERTIFICATION OF AUTHORITY CAPITAL BUDGET/PROGRAM

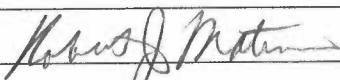
## RAHWAY VALLEY SEWERAGE AUTHORITY

FISCAL YEAR: FROM: January 1, 2017 TO: December 31, 2017

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 15<sup>th</sup> day of December 2016.

OR

It is hereby 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): \_\_\_\_\_

Officer's Signature:			
Name:	Robert J. Materna		
Title:	Secretary-Treasurer		
Address:	1050 East Hazelwood Avenue, Rahway, NJ 07065		
Phone Number:	732-388-0868 x 216	Fax Number:	732-382-0774
E-mail address	robertmaterna@rahwayvalleysa.com		

# 2017 CAPITAL BUDGET/PROGRAM MESSAGE

## Rahway Valley Sewerage Authority

FISCAL YEAR: FROM: January 1, 2017 TO: December 31, 2017

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 2017 Capital Plan has been approved by the Commissioners representing each member municipality.*

2. Has each capital project/project financing been developed from a specific capital improvement plan or report; does it include full lifecycle costs; and is it consistent with appropriate elements of Master Plans or other plans in the jurisdiction(s) 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. The CSP was established by the Authority pursuant to a Judicial Consent Order which sets for the terms and conditions of 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 impact 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 are 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. Debt Service payment requirements in the Year 2017 Budget of \$13 million are \$165 thousand higher than the previous year.*

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.*

*Add additional sheets if necessary.*

# Proposed Capital Budget

## Rahway Valley Sewerage Authority

For the Period January 1, 2017 to December 31, 2017

### Funding Sources

	Estimated Total Cost	Unrestricted Net Position Utilized	Renewal & Replacement Reserve	Debt Authorization	Capital Grants	Other Sources
<i>Operation #1</i>						
Building Improvements	\$ 350,000		\$ 350,000			
Food Waste Receiving Station	1,800,000			1,800,000		
Equipment	3,550,000		775,000	2,400,000	375,000	
Total	5,700,000	-	1,125,000	4,200,000	375,000	-
<i>Operation #2</i>						
Type in Description	-					
Type in Description	-					
Type in Description	-					
Type in Description	-					
Total	-	-	-	-	-	-
<i>N/A</i>						
Type in Description	-					
Type in Description	-					
Type in Description	-					
Type in Description	-					
Total	-	-	-	-	-	-
<i>N/A</i>						
Type in Description	-					
Type in Description	-					
Type in Description	-					
Type in Description	-					
Total	-	-	-	-	-	-
<i>N/A</i>						
Type in Description	-					
Type in Description	-					
Type in Description	-					
Type in Description	-					
Total	-	-	-	-	-	-
<i>N/A</i>						
Type in Description	-					
Type in Description	-					
Type in Description	-					
Type in Description	-					
Total	-	-	-	-	-	-
<b>TOTAL PROPOSED CAPITAL BUDGET</b>	<b>\$ 5,700,000</b>	<b>\$ -</b>	<b>\$ 1,125,000</b>	<b>\$ 4,200,000</b>	<b>\$ 375,000</b>	<b>\$ -</b>

Enter brief description of up to four projects for each operation above. For operations with more than four budgeted projects, please attach additional schedules. Input total amount of all projects for the operation on single line and enter "See Attached Schedule" instead of project description.

# 5 Year Capital Improvement Plan

## Rahway Valley Sewerage Authority

For the Period January 1, 2017 to December 31, 2017

*Fiscal Year Beginning in*

	Estimated Total Cost	Current Budget					2021	2022
		Year 2017	2018	2019	2020	2021		
<i>Operation #1</i>								
Building Improvements	\$ 1,350,000	\$ 350,000	\$ 250,000	\$ 150,000	\$ 200,000	\$ 150,000	\$ 250,000	
Food Waste Receiving Station	1,800,000	1,800,000						
Equipment	12,250,000	3,550,000	4,350,000	1,350,000	1,200,000	1,050,000	750,000	
\$0	-	-						
Total	15,400,000	5,700,000	4,600,000	1,500,000	1,400,000	1,200,000	1,000,000	
<i>Operation #2</i>								
Type in Description	-	-						
Type in Description	-	-						
Type in Description	-	-						
Type in Description	-	-						
Total	-	-	-	-	-	-	-	
<i>N/A</i>								
Type in Description	-	-						
Type in Description	-	-						
Type in Description	-	-						
Type in Description	-	-						
Total	-	-	-	-	-	-	-	
<i>N/A</i>								
Type in Description	-	-						
Type in Description	-	-						
Type in Description	-	-						
Type in Description	-	-						
Total	-	-	-	-	-	-	-	
<i>N/A</i>								
Type in Description	-	-						
Type in Description	-	-						
Type in Description	-	-						
Type in Description	-	-						
Total	-	-	-	-	-	-	-	
<i>N/A</i>								
Type in Description	-	-						
Type in Description	-	-						
Type in Description	-	-						
Type in Description	-	-						
Total	-	-	-	-	-	-	-	
<b>TOTAL</b>	<b>\$ 15,400,000</b>	<b>\$ 5,700,000</b>	<b>\$ 4,600,000</b>	<b>\$ 1,500,000</b>	<b>\$ 1,400,000</b>	<b>\$ 1,200,000</b>	<b>\$ 1,000,000</b>	

*Project descriptions entered on Page CB-3 will carry forward to Pages CB-4 and CB-5. No need to re-enter project descriptions above.*

RAHWAY VALLEY SEWERAGE AUTHORITY  
 2017 AUTHORITY BUDGET INFORMATION  
 CAPITAL IMPROVEMENT PLAN  
 PAGES CB 3, 4 AND 5

Year:	Total	Buildings	Food Waste Receiving Station	Equipment
2017	\$ 5,700,000	350,000	1,800,000	3,550,000
2018	\$ 4,600,000	250,000	-	4,350,000
2019	\$ 1,500,000	150,000	-	1,350,000
2020	\$ 1,400,000	200,000	-	1,200,000
2021	\$ 1,200,000	150,000	-	1,050,000
2022	\$ 1,000,000	250,000	-	750,000
Grand total	\$ 15,400,000	\$ 1,350,000	\$ 1,800,000	\$ 12,250,000

CAPITAL BUDGET DETAIL:

2017 Projects - Digester Covers -\$2.4M.... Food Waste Receiving Station -\$1.8M ..(NJ/EIT Financing Applications In Process for both projects ); Building Improvements - \$350K; and Equipment -\$1.150M

2018 Projects - Digester Covers- \$2.4M;Building Improvements-\$250K; and Equipment - \$1.950M

2019 Projects - Building Improvements-\$150K; and Equipment-\$1.350M

2020 Projects - Building Improvements-\$200K; and Equipment -\$ 1.2 M

2021 Projects - Building Improvements-\$150K; and Equipment -\$1.050M

2022 Projects - Building Improvements-\$250K; and Equipment - \$750K

## 5 Year Capital Improvement Plan Funding Sources

### Rahway Valley Sewerage Authority

For the Period January 1, 2017 to December 31, 2017

#### Funding Sources

	Estimated Total Cost	Unrestricted Net Position Utilized	Renewal & Replacement Reserve	Debt Authorization	Capital Grants	Other Sources
<i>Operation #1</i>						
Building Improvements	\$ 1,350,000		\$ 1,350,000			
Food Waste Receiving Station	1,800,000			1,800,000		
Equipment	12,250,000		7,075,000	4,800,000	375,000	
\$0	-					
Total	15,400,000	-	8,425,000	6,600,000	375,000	-
<i>Operation #2</i>						
Type in Description	-					
Type in Description	-					
Type in Description	-					
Type in Description	-					
Total	-	-	-	-	-	-
<i>N/A</i>						
Type in Description	-					
Type in Description	-					
Type in Description	-					
Type in Description	-					
Total	-	-	-	-	-	-
<i>N/A</i>						
Type in Description	-					
Type in Description	-					
Type in Description	-					
Type in Description	-					
Total	-	-	-	-	-	-
<i>N/A</i>						
Type in Description	-					
Type in Description	-					
Type in Description	-					
Type in Description	-					
Total	-	-	-	-	-	-
<i>N/A</i>						
Type in Description	-					
Type in Description	-					
Type in Description	-					
Type in Description	-					
Total	-	-	-	-	-	-
<b>TOTAL</b>	<b>\$ 15,400,000</b>	<b>\$ -</b>	<b>\$ 8,425,000</b>	<b>\$ 6,600,000</b>	<b>\$ 375,000</b>	<b>\$ -</b>
Total 5 Year Plan per CB-4	<u>\$ 15,400,000</u>					
Balance check		- If amount is other than zero, verify that projects listed above match projects listed on CB-4.				

Project descriptions entered on Page CB-3 will carry forward to Pages CB-4 and CB-5. No need to re-enter project descriptions above.





**NEW JERSEY STATE POLICE  
OFFICE OF EMERGENCY MANAGEMENT**

Post Office Box 7068  
West Trenton, N.J. 08628-0068

Phone (609) 882-2000 Ext. 3031  
Fax (609) 882-2025

**MEMORANDUM**

**TO:** Mr. Anthony Gencarelli  
**FROM:** Ms. Sylvia Hastry  
**Date:** October 20, 2015  
**Re:** Rahway Valley Sewerage Authority – HMGP-4086-0304-R

---

Dear Mr. Gencarelli,

Enclosed you will find a signed hardcopy of the sub-grant agreement for the above project.  
Do not hesitate to reach out if you have any questions.

Thank You,

Sylvia Hastry

**SUB- GRANT AGREEMENT  
HAZARD MITIGATION GRANT PROGRAM (CFDA#97.039)  
FEMA-DR-4086-NJ-0304-R**

This Sub-grant Agreement (the "Agreement") is made and entered into by, and between, the State of New Jersey, Office of Emergency Management, located at PO Box 7068, West Trenton, New Jersey 08628 (herein referred to as the "Grantee"); and the Rahway Valley Sewerage Authority, located at 1050 East Hazelwood Avenue, Rahway, New Jersey 07065 (herein referred to as the "Sub-grantee").

The period of performance of this Project is the period beginning June 02, 2015 and ending June 02, 2018.

- 1 The provisions of The Robert T. Stafford Disaster Relief and Emergency Assistance Act, Public Law 93-288, as amended ("the Stafford Act"), identify the use of disaster relief funds under Section 404 (Hazard Mitigation Grant Program, "HMGP") for a variety of hazard mitigation activities, including generators and/or transfer switches.
- 2 Section 404 of the Stafford Act provides authorization for hazard mitigation assistance to eligible applicants, including a State Agency, through the State of New Jersey, Office of Emergency Management for funding to be used to implement the Hazard Mitigation Grant Program.
- 3 The New Jersey Office of Emergency Management (NJOEM) has been designated as the Grantee to receive, administer, and disburse FEMA hazard mitigation funds for mitigation projects in New Jersey. The Grantee shall monitor and evaluate the implementation of mitigation projects and control the disbursement of HMGP funds from FEMA.
- 4 The Rahway Valley Sewerage Authority, Union County is the Sub-grantee and has submitted an application to FEMA, through the Grantee (herein referred to as the "Project"). The Grantee and FEMA have approved the Project along with any exceptions that have been made prior to signing of this Agreement and FEMA has provided an award letter to the Grantee, which is incorporated herein by reference. The Sub-grantee agrees to complete the Project prior to the Project completion dated specified in the applicable award letter unless a time extension is granted by the Grantee and FEMA.
- 5 The Sub-grantee shall coordinate and monitor the implementation of the Project approved by FEMA in accordance with the terms of this Agreement and the award letter dated June 8, 2015, revised July 31, 2015, with Conditions of Approval.
- 6 The Sub-grantee has the legal authority to accept mitigation funds and shall provide all necessary financial and managerial resources to meet the terms and conditions of receiving Federal and State mitigation funds. The financial management system must comply with 44 Code of Federal Regulations (C.F.R.) Part 13 and 2 C.F.R. Part 225.
- 7 The Sub-grantee shall use the mitigation funds solely for eligible costs associated with the approved scope of work in the Project.

HMGP Grant Agreement – Rahway Valley Sewerage Authority  
Page 2

8 Only those costs that are allowable as defined in 44 C.F.R. Part 13 and 2 C.F.R. Part 225, will be reimbursable:

- a. This Grant Agreement in the amount of **\$319,608.00** ("Funds") will serve as the contract between the Grantee and the Sub-grantee for the purpose of the approved Project Number FEMA-DR-4086-NJ-0304-R. This grant amount represents the maximum federal funding currently allocated for the Project and may not be equal to the estimated cost of completing the entire Project.

Total estimated cost of the Project:	<b>\$319,608.00</b>
Total Federal share:	<b>\$225,000.00</b>
Total non-federal share:	<b>\$ 94,608.00</b>

- b. The Sub-grantee agrees to provide the Grantee documentation showing a full accounting of 100% of the eligible project costs as required by 44 C.F.R. 13.24 for individual Project costs, including those in excess of the federal share allocated. Project management costs shall be submitted separately. The Sub-grantee shall be responsible for tracking and verification of all costs.
- c. Any revision, change or modification to the approved scope of work must be submitted to Grantee and be approved by the NJ Sandy Recovery Field Office prior to implementation and/or construction. Any revision, change or modification that does not receive prior NJ Sandy Recovery Field Office approval will violate the conditions of the grant.
- d. All work under this Agreement shall be completed by the date indicated in the FEMA award letter, unless an extension is approved by the Regional Administrator.
- 9 The Sub-grantee shall return to Grantee any grant funds which are not supported by audit or other Federal or State review of documentation maintained by the Sub-grantee.
- 10 The Sub-grantee shall maintain records for the period set forth in 44 C.F.R. 13.42 and shall give State and Federal agencies access to, and the right to examine all records and documents related to use of mitigation funds.
- 11 The Sub-grantee shall track and verify compliance with all applicable State and local ordinances, laws, regulations, building codes and standards applicable to this Project as follows:
- a. The Sub-grantee shall obtain all Federal, State and/or local permits prior to commencing construction.
- b. The Sub-grantee shall consult with the local floodplain administrator and obtain any necessary permits prior to implementation of this Project.

HMGP Grant Agreement – Rahway Valley Sewerage Authority  
Page 3

- c. All permits shall be submitted to Grantee who shall review, maintain and submit to FEMA copies of all permits.
  - d. Failure of the Sub-grantee to obtain all required permits associated with the approved scope of work violates the condition of the project approval and may result in a determination that no Federal funding is eligible to be reimbursed for this Project.
- 12 The Sub-grantee agrees to require compliance with local regulations pertaining to the National Flood Insurance Program (NFIP).
- 13 The Sub-grantee shall comply with 44 C.F.R.13.36 in all procurements, including the contract provisions found in subsection 13.36(i)(1)-(13). In particular,
- a. The Sub-grantee shall comply, as applicable, with provisions of Federal laws and regulations pertaining to labor standards, and the State of New Jersey Prevailing Wages laws and regulations.
  - b. The Sub-grantee shall not enter into any contract with any party which is debarred or suspended from participating in Federal assistance programs, or is otherwise ineligible pursuant to E.O. 12549, Debarment and Suspension, as implemented at 44 C.F.R. 13.35. The Sub-grantee shall not enter into any contract with any party which is listed in the State of New Jersey Consolidated Debarment Report.
- 14 The Sub-grantee has read, understands, and shall comply with the State of New Jersey Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, State Circular 04-04-OMB, and OMB Circular A-133.
- 15 The Sub-grantee shall submit to the Grantee quarterly progress reports (QPR), due the 7th day of the month after the end of the quarter on the following schedule:
- |    |                    |               |
|----|--------------------|---------------|
| a. | January – March    | Due April 7   |
|    | April – June       | Due July 7    |
|    | July – September   | Due October 7 |
|    | October – December | Due January 7 |
- b. Failure to provide the required reports will result in suspension of grant funds until the required reports are provided and approved by the Grantee.
  - c. The QPR should reflect the status and completion date for the Project and any problems or circumstances affecting the completion date, scope of work, Project costs, or which could be expected to result in noncompliance with the approved grant conditions.
- 16 ENFORCEMENT (44 C.F.R.13.43)
- a. If the Sub-grantee fails to comply with the terms of the award, whether stated in a Federal statute or regulation, an assurance, in a State plan or application, a notice of

award, or elsewhere, FEMA may take one or more of the following actions, as appropriate in the circumstances:

- 1) Temporarily withhold cash payments pending correction of the deficiency;
  - 2) Disallow all or part of the cost of the activity or action not in compliance;
  - 3) Wholly or partly suspend or terminate the current award for the program;
  - 4) Withhold further awards for the program; and
  - 5) Take other remedies that may be legally available.
- b. In taking an enforcement action, FEMA and/or the Grantee shall provide an opportunity for such hearing, appeal, or other administrative proceeding to which the Grantee or the Sub-grantee is entitled under any statute or regulation applicable to the action involved.
- c. Costs resulting from obligations incurred by the Sub-grantee during a suspension or after termination of an award are not allowable unless FEMA expressly authorizes them in the notice of suspension or termination. Other costs during suspension or after termination that are necessary and not reasonably avoidable are allowable if:
- 1) The costs result from obligations which were properly incurred before the effective date of suspension or termination, are not in anticipation of it, and, in the case of a termination, are not cancelable; and
  - 2) The costs would be allowable if the award were not suspended or expired normally at the end of the funding period in which the termination takes place.

## 17 ENVIRONMENTAL COMPLIANCE

- a. The Sub-grantee shall require compliance with 44 C.F.R. Part 10 Environmental Considerations, National Environmental Policy Act (NEPA); and other Federal and State environmental laws and regulations in the implementation of the Project. FEMA performs the Environmental and Historic Preservation review for approval of the Project and consistency with federal laws. The approved Project has been determined by FEMA to be Categorically Excluded from Environmental review in accordance with 44 C.F.R. Part 10.8(c). Therefore no environmental assessment or impact statement will be prepared.
- b. Failure of the Sub-grantee to comply with any environmental condition or requirement in the conditions of award will result in the Grantee withholding funds.

## 18 CLOSE-OUT (44 C.F.R. 13.50)

- a. The Sub-grantee will notify the Grantee that the Project has been completed, and shall provide a Final Progress Report and financial report by the end of the close-out period approved by FEMA. The Grantee shall conduct or arrange for a final site visit within 30 days of receiving the final progress report and financial report, and shall provide the Sub-grantee with the findings within 30 days of the visit. The

findings will outline the results of the site visit and in particular any upward or downward adjustment to allowable costs.

- b. The close-out of the grant does not affect the right of FEMA to disallow costs and recover funds on the basis of a later audit or other review, the obligation to return any funds due as a result of later refunds, corrections, or other transactions, records retention as required in 44 C.F.R.13.42, Property management requirements in 44 C.F.R.13.31 and 13.32, and audit requirements in 44 C.F.R. 13.26.
- c. Any funds not returned within a reasonable period of time after request, may result in an administrative offset against other requests for assistance, withholding advance payments otherwise due, and other action permitted by law.

19 SCOPE OF WORK

- a. The approved Scope of Work (SOW) for the Project is to purchase and install one (1) trailer-mounted diesel-powered generator, one (1) diesel fuel transfer pump system with ancillary equipment and spill containment enclosure, one (1) utility breaker, and one (1) electrical controls system (that will allow black start capability for the four existing cogeneration engines) to provide an energy resilient system that will supply backup emergency power during and after extreme weather events for the Rahway Valley Sewerage Authority, located at 1050 East Hazelwood Avenue. The generator and equipment will be installed and protected according to all applicable state and local building codes and standards.
- b. Any request for substitution must be submitted in writing.

20 PERIOD OF PERFORMANCE EXTENSION

Should the Sub-grantee require a period of performance extension, a written request must be submitted to the Grantee at least 90 days prior to the completion deadline established by the Grantee (June 02, 2018). This written request must include a justification for the extension, including: a summary of all work completed and remaining; a Statement demonstrating that all work can be completed within the extension period; a revised budget form (if applicable); copies of contracts between the Sub-grantee and third parties for work to be performed; and any other material supporting the extension.

21 INDEMNIFICATION

The Sub-grantee agrees that it shall be solely responsible for and shall keep, save and hold the State of New Jersey and its employees harmless from all claims, loss, liability, expense or damage resulting from all mental or physical injuries or disabilities, including death, to its employees or recipients of the Sub-grantee's services or to any other persons, or from any damage to any property sustained in connection with the delivery of the Sub-grantee's services that results from any acts or omissions, including negligence or malpractice, of any



# Rahway Valley Sewerage Authority FY15 UASI Grant Program Funding Distribution Summary Page

Date: 11/2/2015

	Budgeted	Total	UASI	LEIP	Personnel Costs
Project A	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Project B	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Project C	\$113,000.00	\$113,000.00	\$113,000.00	\$0.00	\$0.00
Project D	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Project E	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Project F	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Project G	\$37,000.00	\$37,000.00	\$37,000.00	\$0.00	\$0.00
Project H	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Project I	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Project J	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Project K	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Project L	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Project M	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>TOTAL</b>	<b>\$150,000.00</b>	<b>\$150,000.00</b>	<b>\$150,000.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
		<b>% Required of Total Award</b>	<b>112,500,000 / 0.750</b>	<b>37,500,000 / 0.250</b>	<b>0.00%</b>
		<b>Award Amount</b>	<b>\$150,000.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
		<b>Remaining to program</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>



SYNOPSIS OF THE AUDIT REPORT OF THE  
 RAHWAY VALLEY SEWERAGE AUTHORITY  
 FOR THE FISCAL YEAR ENDED DECEMBER 31, 2015 AND 2014  
AS REQUIRED BY N.J. S. 40A:5A-16

STATEMENTS OF NET POSITION

	<u>2015</u>	<u>2014</u>
<u>ASSETS</u>		
Unrestricted Assets:		
Cash and Cash Equivalents	\$ 2,152,691	\$ 1,668,643
Accounts Receivable	61,917	163
Prepaid Expenses and Other	<u>116,000</u>	<u>61,088</u>
<u>Total Unrestricted Assets</u>	<u>\$ 2,330,608</u>	<u>\$ 1,729,894</u>
Restricted Assets:		
Cash and Cash Equivalents	\$ 7,329,027	\$ 7,303,629
Accounts Receivable	<u>421,691</u>	<u>-</u>
<u>Total Restricted Assets</u>	<u>\$ 7,750,718</u>	<u>\$ 7,303,629</u>
Property, Plant and Equipment, at Cost	\$ 269,753,296	\$ 267,437,221
Less: Accumulated Depreciation	<u>66,095,307</u>	<u>57,356,242</u>
<u>Net Property, Plant and Equipment</u>	<u>\$ 203,657,989</u>	<u>\$ 210,080,979</u>
Deferred Outflows of Resources:		
Pension Related	<u>1,571,184</u>	<u>324,084</u>
<u>TOTAL ASSETS</u>	<u>\$ 215,310,499</u>	<u>\$ 219,438,586</u>

LIABILITIES

Current Liabilities Payable From Unrestricted Assets:		
Accounts Payable and Accrued Expenses	\$ 890,846	\$ 637,482
<u>Total Current Liabilities Payable From Unrestricted Assets</u>	<u>\$ 890,846</u>	<u>\$ 637,482</u>
Current Liabilities Payable From Restricted Assets:		
Current Portion of Long-term Debt	\$ 10,473,000	\$ 10,335,536
Accounts Payable	316,105	305,370
Retainage Due Contractors	50,738	23,318
Accrued Interest Payable	1,018,686	1,104,568
<u>Total Current Liabilities Payable From Restricted Assets</u>	<u>\$ 11,858,529</u>	<u>\$ 11,768,792</u>
Total Long-Term Debt, Net of Current Maturities	\$ 152,849,784	\$ 158,989,175
Net Pension Liability	11,907,625	9,981,863
<u>Total Liabilities</u>	<u>\$ 177,506,784</u>	<u>\$ 181,377,312</u>

DEFERRED INFLOWS OF RESOURCES

Credits on Debt Refunding	\$ 3,047,301	\$ 3,404,909
Pension Related	234,142	594,865
Deferred Bond Premium	64,105	-
<u>Total Deferred Inflows of Resources</u>	<u>\$ 3,345,548</u>	<u>\$ 3,999,774</u>

NET POSITION

Invested in Capital Assets, net of Related Liabilities	\$ 37,689,279	\$ 37,056,865
Restricted	5,899,710	6,164,867
Unrestricted	(9,130,822)	(9,160,232)
<u>Total Net Position</u>	<u>\$ 34,458,167</u>	<u>\$ 34,061,500</u>
<u>TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION</u>	<u>\$ 215,310,499</u>	<u>\$ 219,438,586</u>

STATEMENTS OF REVENUES, EXPENSES  
AND CHANGES IN NET POSITION  
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
Operating Revenues:		
Member Annual Assessments	\$ 24,710,000	\$ 24,976,500
Discharge, Permit and Other Fees	1,075,450	759,459
Other Income, Net	<u>76,736</u>	<u>682,826</u>
<u>Total Operating Revenues</u>	<u>\$ 25,862,186</u>	<u>\$ 26,418,785</u>
Operating Expenses:		
Costs of Providing Services	\$ 8,758,568	\$ 9,107,952
General and Administrative	3,351,076	2,947,516
Depreciation	<u>8,819,323</u>	<u>8,036,010</u>
<u>Total Operating Expenses</u>	<u>\$ 20,928,967</u>	<u>\$ 20,091,478</u>
<u>Operating Income</u>	<u>\$ 4,933,219</u>	<u>\$ 6,327,307</u>
Nonoperating Revenues (Expenses):		
Interest Income - Unrestricted Funds	\$ 3,523	\$ 2,854
Interest Income - Restricted Funds	4,028	3,718
Grant Income/Loan Forgiveness	301,065	-
Interest Expense, Net	<u>(4,845,168)</u>	<u>(4,917,567)</u>
<u>Net Income (Loss)</u>	<u>\$ 396,667</u>	<u>\$ 1,416,312</u>
Net Position, Beginning of Year - as originally reported	\$ 34,061,500	\$ 42,897,832
Restatement to include Net Pension Liability		<u>(10,252,644)</u>
Net Position, Beginning of Year - Restated		<u>32,645,188</u>
Net Position, End of Year	<u>\$ 34,458,167</u>	<u>\$ 34,061,500</u>

FINDINGS AND RECOMMENDATIONS

NONE

The above summary or synopsis was prepared from the report of audit of the Rahway Valley Sewerage Authority, County of Union, for the years ended December 31, 2015 and 2014. This report of audit, submitted by Suplee, Clooney & Company, Certified Public Accountants, is on file at the Executive Director's Office and may be inspected by any interested person.

  
EXECUTIVE DIRECTOR