

2010

AUTHORITY BUDGET

STONY BROOK REGIONAL SEWERAGE AUTHORITY

FISCAL YEAR PERIOD DECEMBER 1, 2009 TO NOVEMBER 30, 2010

For Division Use Only

CERTIFICATION OF APPROVED BUDGET

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

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

By [Signature] Date 11/6/09

RECEIVED
2009 NOV 23 A 10:12
LOCAL GOVT SERVICES

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 changes required as a condition to such approval have been made. 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 [Signature] Date 2/23/10

2010 PREPARERS CERTIFICATION

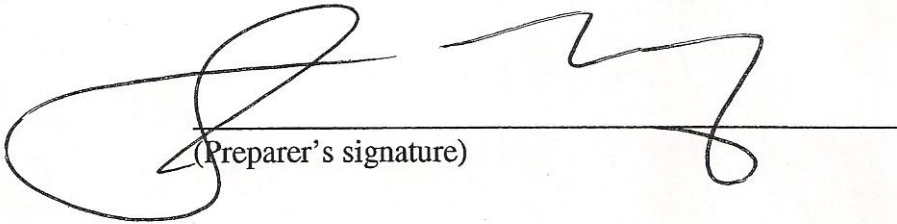
STONY BROOK REGIONAL SEWERAGE AUTHORITY

AUTHORITY BUDGET

FISCAL YEAR PERIOD DECEMBER 1, 2009 to NOVEMBER 30, 2010

It is hereby certified that the Authority Budget, Including both the annual budget and the 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 budget amounts and totals are correct. Also, I hereby provide reasonable assurance that all assertions contained herein are accurate and all Supplemental Schedules required are completed and attached.



(Preparer's signature)

Stuart S. Neuhof

(preparer's name)

Chief Finance Officer

(title)

290 River Road

(address)

Princeton, NJ 08540

(address)

(609) 924-8881 (x204) / (609) 924-2857

(phone number) / (fax number)

2010 APPROVAL CERTIFICATION

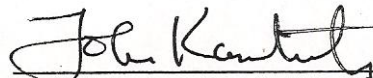
Stony Brook Regional Sewerage Authority

AUTHORITY BUDGET

FISCAL YEAR: FROM December 1, 2009 TO November 30, 2010

It is hereby certified that the Authority Budget, including Supplemental Schedules appended hereto, are a true copy of the Annual Budget and Capital Budget/Program approved by resolution by the governing body of the Stony Brook Regional Sewerage Authority, at an open public meeting held pursuant to N.J.A.C. 5:3 1-2.3, on the 28th day of September, 2009.

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


(Secretary's signature)

John V. Kantorek
(Print Name)

Executive Director
(Title)

290 River Road
(Address)

Princeton, New Jersey 08540
(City, State, Zip Code)

(609) 924-8881 (x203) / (609) 924-2857
(Phone number) / (Fax number)

2010 AUTHORITY BUDGET RESOLUTION
STONY BROOK REGIONAL SEWERAGE AUTHORITY

FISCAL YEAR PERIOD DECEMBER 1, 2009 to NOVEMBER 30, 2010

Resolution # 2009-24

WHEREAS, the Annual Budget and Capital Budget for the STONY BROOK REGIONAL SEWERAGE AUTHORITY for the fiscal year period beginning DECEMBER 1, 2009 and ending NOVEMBER 30, 2010 has been presented before the governing body of the STONY BROOK REGIONAL SEWERAGE AUTHORITY at its open public meeting of September 28, 2009; and

WHEREAS, the Annual Budget as presented reflects Total Revenues of \$15,323,150, Total Appropriations,(including any Accumulated Deficit if any) of \$15,323,150 and Total Unrestricted Net Assets utilized of \$0 ; and

WHEREAS, the Capital Budget as introduced reflects Total Capital Appropriations of \$ 6,500,000 and Total Unrestricted Net Assets planned to be utilized as funding thereof, of \$ 400,000 ; and

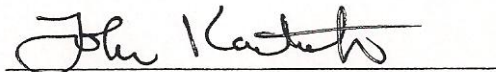
WHEREAS, the schedule of rates, fees and other charges in effect will produce sufficient revenues together with all other anticipated revenues to satisfy all obligations to the holders of bonds of the Authority, to meet operating expenses, capital outlays, debt service requirements, and to provide for such reserves, all or 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 STONY BROOK REGIONAL SEWERAGE AUTHORITY at a public meeting held on September 28, 2009 that the Annual Budget and Capital Budget of the STONY BROOK REGIONAL SEWERAGE AUTHORITY for the fiscal year period beginning DECEMBER 1, 2009 and ending NOVEMBER 30, 2010 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 STONY BROOK REGIONAL SEWERAGE AUTHORITY will consider the Annual Budget and Capital Budget/Program for adoption on NOVEMBER 16, 2009.



(Secretary)

Section 1.01 September 28, 2009
(date)

<u>RECORDED VOTE:</u>	<u>Recorded Vote</u>			
	<u>AYE</u>	<u>NO</u>	<u>ABSTAIN</u>	<u>ABSENT</u>
Robert A. Bartolini				x
Gale D. Downey	x			
David Miller	x			
C. Schuyler Morehouse	x			
Bharat Patel	x			
James McKinnon				x
Charles T. Watson, Jr.				x

2010
AUTHORITY BUDGET
STONY BROOK REGIONAL SEWERAGE AUTHORITY

FISCAL YEAR PERIOD DECEMBER 1, 2009 to NOVEMBER 30, 2010

BUDGET MESSAGE

1. Complete a brief statement on the 2010 proposed Annual Budget with comparison to the prior year's adopted budget. Explain significant increases or decreases, if any.

SEE ATTACHED

2. Complete a brief statement on the impact the proposed Annual Budget will have on the user fees, customer charges or tax rate and the Authority's fund balances. Explain increases or decreases in the user fees, customer charges, tax rate and utilization of fund balances.

SEE ATTACHED

3. State of the local economy and how it affects the Annual Budget and Capital Budget.

The State of the local economy has fared better than most parts of the State during this economic downturn that began in late 2007. We see continued strong demand for waste-water treatment.

4. Describe the reasons for utilizing Unreserved Retained Earnings in the proposed Annual Budget, i.e. rate stabilization, debt service reduction, to balance the budget, etc.

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

SBRSA MEMORANDUM

TO: Robert A. Bartolini, Chairman
Gale D. Downey, Vice Chairman
David Miller, Treasurer
James McKinnon
C. Schuyler Morehouse
Bharat Patel
Tom Watson

FROM: Stuart Neuhof, Chief Financial Officer

DATE: August 17, 2009

Re: 2010 Proposed Budget

Summary:

The total 2010 budget request is for \$15,323,150 which is a decrease of \$588,409 or 3.7% less than the 2009 budget. The Participants' charge will decrease by 0.6% versus a 5.0% increase for 2009.

The largest cost increase in the 2010 budget is for salary and benefits which will increase by 4.7%. This includes a 1.5% cost of living increase on base wages and an additional 1.0% to cover promotions, longevity and license adjustments. The union is scheduled to renegotiate their three year contract which ends November 30, 2009. Pension expense is estimated to increase 22.5% in 2010. The State Health Benefits Plan is estimating a cost increase of 18% effective January 1, 2010.

The remainder of the 2010 budget is filled with several significant decreases:

Electricity rates have decreased due to the cost of fuel to generate electricity. Our aggregation group received a 12 month bid price which is 6% below the price SBRSA paid in the prior two year contract. Due to the tight credit markets and the premium associated with a two year contract the aggregation group settled on a favorable one year agreement with the intention of going out to bid again for a one or two year agreement once the credit markets ease up.

Natural gas costs will be significantly reduced (by an estimated 35.6%) due to commodity costs at 6 year lows and the start-up of our RTO project which will significantly reduce the quantity of gas consumed by our sludge incinerators.

After several years of significant price increases on chemicals we are seeing recent bid prices at or below expiring contracts.

Debt service is scheduled to decrease 31% on existing bond issues after including the 2009 Trust Financing in progress now. There is the possibility that we may need another bond issue in 2010. Any debt service accrued from that issue will likely be paid out of the 2011 budget.

Due to the significant drop in the above mentioned items we are requesting \$1,300,000 to help fund our list of required capital projects which includes the River Road Headworks, Replacement of Schwing Pumps, Hopewell Phosphorous Removal and a new Emergency Generator.

Our sludge revenues in total are slightly over budget for the first seven months of this year. Liquid sludge is currently 1% below revenue estimates and cake sludge is 4% above revenue estimates. For 2010 we included an amount which is 10.5% less than the current budget due to one large sludge cake customer that will not renew their contract after it expires on March 31, 2010.

The latest survey conducted in 2007 of 18 Authorities showed a range of \$2,006 to \$5,338 per million gallons treated. **SBRSA's 2007 cost at \$2,991 per million gallons treated is within the lower half of the survey range.** The average per million gallon rate in the survey is \$3,089.

Our cost of treatment went from \$2,991 per million gallons in 2007 to \$3,239 in 2008. This increase was due to reduced flow of 3.2% and the Participants' charge increase of 4.7%. Our estimates for 2009 and 2010 are \$3,082 and \$3,182 respectively. Our five-year average through 2010 is expected to be around \$3,015 per million gallons.

Our Goal is to have no increase to the Participants over the next 3 to 5 years. Please refer to 5 year plan on pages 22 to 29.

Attached please find the budget narrative, and detailed schedules used in preparing the 2010 budget.

Expenditures

1. Salaries:

2010 Request	= \$ 3,545,154	An increase of 1.6%
2009 Budget	= \$ 3,489,846	
2009 Projected	= \$ 3,473,541	

Overall salaries are projected to increase by 1.6% compared to the 2009 budget and increase 2.1% compared to projected expenditures. An over-all salary increase of 1.5% on base wages is provided to cover the cost of 2010 increases for all employees. Also, adjustments for longevity, licenses, promotions and sick pay reimbursements are included. The union's current 3 year contract expires November 30, 2009. Negotiations will likely take place during the last quarter of this fiscal year.

The number of positions remain at 46.

2. Benefits:

2010 Request	= \$1,311,591	An increase of 14.3%
2009 Budget	= \$1,147,766	
2009 Projected	= \$1,150,820	

Health benefits and other benefits are projected to increase by 14.3% compared to the 2009 budget and 14.0% over projected expenditures. The State's actuary indicated an 18% increase for Health Benefits effective January 1. The new rates are expected to be available a few days prior to open enrollment which starts on October 1.

For 2010 our employer pension contribution is expected to increase 22.5%. The actual pension bill figures should be available by October 1.

The Social Security and Medicare percentage is expected to remain at 7.65% but the contribution threshold will increase. The new threshold is unknown at this time. For budgeting purposes we assumed the threshold would increase to \$110,000.

3. Administrative Expenses:

2010 Request	= \$ 613,743	A decrease of 2.1%
2009 Budget	= \$ 627,107	
2009 Projected	= \$ 605,284	

Administrative expenses are projected to decrease 2.1% compared to the 2009 budget and increase 1.4% compared to projected expenditures. Our largest expense in this area, Property and Casualty Insurance is expected to be about 5% higher than the 2009 budget amount.

4. Professional Services

2010 Request	= \$ 250,000	A decrease of 2.1%
2009 Budget	= \$ 255,420	
2008 Projected	= \$ 221,920	

Professional service expenses are projected to decrease by 2.1% compared to the 2009 budget and increase 12.7% compared to projected expenditures. The estimated need for legal and consulting services is estimated to be slightly less the amount budgeted for 2008.

5. Operating:

2010 Request	= \$ 5,650,492	A decrease of 11.9%
2009 Budget	= \$ 6,448,510	
2009 Projected	= \$ 5,928,636	

The Operating budget is projected to decrease 11.9% compared to the 2009 budget and decrease 4.2% compared to projected expenditures.

Included in the Operating budget are expenditures for Lab/Regulatory, Maintenance, Engineering, and Safety.

Electricity, natural gas and chemicals comprise approximately 73% of the Operating Budget.

Natural gas accounts for approximately 23% of the Operations budget as compared to 31% for the 2009 budget. Our new gas contract began on August 1, 2009 for a 36 month period. We are currently on a fixed up-charge/variable commodity contract. Commodity prices are trading at 6 year lows. We have recently purchased all of our gas needs for next year and half of our needs for the following fiscal year.

In addition to the commodity cost savings, our Incinerator RTO (Regenerative Thermal Oxidizer Project) will be completed this summer and is estimated to save approximately 30% of the gas volume consumed by the sludge incinerators. This volume savings in addition to the commodity savings is estimated to reduce natural gas costs by \$719,000 in the 2010 budget.

Electricity accounts for 35% of the Operating budget. Electricity is anticipated to decrease 10% and save \$220,000 compared to this year's budget. The Authorities aggregation group's bid in April 2009 resulted in a one year fixed supply price of \$.0897 per Kwh hour compared to an average rate of \$.09524 under the prior fixed/variable rate contract. This represents a 6% decrease in the unit cost of electricity. Because of the problems in the credit markets there was an 18% difference on the 2 year price. The group decided to award the one year fixed price and defer bidding the second year with the hope that the credit markets would ease up later in 2009 or early 2010. The one year fixed price is good through May 31, 2010.

In total, all other Operating accounts increased by 6.3% compared to the 2009 budget. Most of this increase is for repairs to the incinerators. Although prices have come down for chemicals the quantities in some cases have increased to deal with plant upsets and odor control.

6. Capital Requests

Please refer to capital budget section.

SBRSA recently received a commitment of funding through the NJEIT and Federal ARRA programs for \$3.76M to fund the Nitrification Tank Aerators & Chemical feed systems. The ARRA portion of the funding will provide principal forgiveness for 50% of the loan amount. The other 50% funded through the Trust will provide 75% at zero percent and 25% at market rates. We estimate the 20 year savings versus a traditional revenue bond financing will be approximately \$4.3M.

For 2011 we plan on funding the \$4.8M River Road Headworks project through the NJEIT at interest rates anticipated to be half the prevailing market rates.

Again SBRSA plans to add \$400,000 to the capital plan for several small capital projects.

Items less than \$25,000 will be funded from the operating budget.

See capital section of the budget for a complete listing of upcoming projects.

7. Debt Service:

2010 Request = \$ 2,652,172 **A decrease of 31.0%**
 2009 Budget = \$ 3,842,910
 2009 Projected = \$ 3,842,910

Debt service is budgeted at \$2,652,172, which is 31.0% less than the current budget. Debt service will decrease \$1,190,738 in fiscal 2010. Debt service on the above mentioned Headworks project would begin in 2011.

Revenues:

Outside Sludge Revenues:

In total, outside sludge revenues are expected to be 10.5% less than the current budget due to one large sludge cake customer that is expected to not renew their contract in March 2010.

Cake sludge is budgeted at 30,000 yards at an average price of \$53. This is 5,000 yards less than the current budget and 7,000 yards less than our projections for this year. As mentioned above one large cake customer is not expected to renew their contract when it comes due in March 2010. The average billed price is expected to remain the same for 2010.

The quantity of liquid sludge anticipated for 2010 is 18 million gallons. This is 1 million gallons less than the amount in the current budget and the amount that is anticipated this year. It is difficult to predict if some short-term bid contracts will renew in 2010. The average price billed is expected to be \$52.00 per thousand gallons which is an increase of \$2 per thousand gallons over the current budget rate.

1.	Sludge Cake:		
	30,000 yards @ average price of \$53/yard	=	\$1,590,000
2.	Liquid Sludge:		
	18,000,000 gallons @ average price of \$52/1000	=	936,000
3.	Special Waste is projected using this year's anticipated amount to cover the cost of the Pretreatment Program.	=	
	75,000		
4.	Septage/Gray Water:		
	Gray Water = 500,000 @ \$32.00/1000	=	16,000
	Septage = 500,000 @ \$62.00/1000	=	<u>31,000</u>
	Total Septage/Gray Water	=	47,000
5.	Princeton Farms Agreement	=	<u>180,000</u>
	Total Anticipated Revenue	=	<u>\$2,828,000</u>

Interest income is budgeted at \$160,000, which is \$90,000 less than the current budget. Interest rates continued to decrease rapidly after we adopted the 2009 budget in November of 2009. Interest rates are expected to be slightly higher in 2010.

Other revenue is budgeted at \$40,000 and largely represents the Joint Insurance Fund dividend that we have received for the past several years. There is no indication at this time whether the JIF will increase or decrease this dividend.

Due to the several large decreases mentioned above the participants will see a decrease of 0.6% for 2010.

2010
AUTHORITY BUDGET

STONY BROOK REGIONAL SEWERAGE AUTHORITY

FISCAL YEAR PERIOD DECEMBER 1,2009 TO NOVEMBER 30, 2010

=====ANTICIPATED REVENUES=====

<u>OPERATING REVENUES</u>	<u>CROSS REF.</u>	2010 <u>PROPOSED BUDGET</u>	2009 CURRENT YEARS ADOPTED <u>BUDGET</u>
SERVICE FEES	*A-1*	\$ 12,295,150	\$ 12,365,319
CONNECTION FEES	*A-2*	-0-	-0-
PARKING FEES	*A-3*	-0-	-0-
OTHER OPERATING REVENUES	*A-4*	<u>2,828,000</u>	<u>3,160,240</u>
TOTAL OPERATING REVENUES	*R-1*	<u>\$ 15,123,150</u>	<u>\$ 15,525,559</u>

<u>NON-OPERATING REVENUES</u>	<u>CROSS REF.</u>	2010 <u>PROPOSED BUDGET</u>	2009 CURRENT YEAR'S ADOPTED <u>BUDGET</u>
OPERATING GRANTS & ENTITLEMENT	*A-5*	-0- *	-0- *
LOCAL SUBSIDIES & DONATIONS	*A-6*	-0- *	-0- *
INTEREST ON INVESTMENTS And DEPOSITS	*A-7*	160,000 *	250,000 *
OTHER NON-OPERATING REVENUES	*A-8*	<u>40,000 *</u>	<u>36,000 *</u>
TOTAL NON-OPERATING REVENUES	*R-2*	<u>200,000 *</u>	<u>286,000 *</u>
TOTAL ANTICIPATED REVENUES (R-1 + R-2)	*B-1*	<u>\$15,123,150</u>	<u>\$15,811,559</u>

2010
AUTHORITY BUDGET

STONY BROOK REGIONAL SEWERAGE AUTHORITY

FISCAL YEAR PERIOD DECEMBER 1, 2009 TO NOVEMBER 30, 2010
====BUDGETED APPROPRIATIONS=====

--OPERATING APPROPRIATIONS--

<u>ADMINISTRATION</u>	<u>CROSS REF.</u>	2010 <u>PROPOSED BUDGET</u>	2009 CURRENT YEAR'S <u>ADOPTED BUDGET</u>
SALARY & WAGES	* *	\$ 446,514 *	\$ 445,162 *
FRINGE BENEFITS	* *	165,210 *	146,458 *
OTHER EXPENSES	* *	<u>659,225 *</u>	<u>679,392 *</u>
TOTAL ADMINISTRATION	*E-1*	<u>1,270,949 *</u>	<u>1,271,012 *</u>
<u>COST OF PROVIDING SERVICE</u>	<u>CROSS REF.</u>	2010 <u>PROPOSED BUDGET</u>	2009 CURRENT YEAR'S <u>ADOPTED BUDGET</u>
SALARY & WAGES	* *	3,098,640 *	3,044,684 *
FRINGE BENEFITS	* *	1,146,380 *	1,001,308 *
OTHER EXPENSES	* *	<u>5,855,010 *</u>	<u>6,651,645 *</u>
TOTAL COST OF PROVIDING SERVICE	*E-2*	<u>10,100,030 *</u>	<u>10,697,637 *</u>
TOTAL PRINCIPAL PAYMENTS ON DEBT			
DEBT SERVICE IN LIEU OF DEPRECIATION	*D-1*	<u>1,831,107 *</u>	<u>3,030,000 *</u>
TOTAL OPERATING APPROPRIATIONS	*B-2*		
(E-1 + E-2 + D-1)		<u>\$ 13,202,086 *</u>	<u>\$ 14,998,649 *</u>

SEWERAGE
(OPERATION)

2010
AUTHORITY BUDGET

STONY BROOK REGIONAL SEWERAGE AUTHORITY

FISCAL YEAR PERIOD DECEMBER 1, 2009 TO NOVEMBER 30, 2010

====BUDGETED APPROPRIATIONS====

<u>--NON-OPERATING APPROPRIATIONS--</u>	<u>CROSS REF.</u>	2010 <u>PROPOSED BUDGET</u>	2009 CURRENT YEAR'S <u>ADOPTED BUDGET</u>
TOTAL INTEREST PAYMENTS ON DEBT	*D-2*	\$821,064 *	\$812,910 *
OPERATIONS & MAINTENANCE RESERVE	* *	*	*
RENEWAL & REPLACEMENT RESERVE(S)	*C-1*	*	100,000 *
OTHER RESERVES	*C-2*	<u>1,300,000</u> *	<u> </u> *
TOTAL NON-OPERATING APPROPRIATIONS	*B-3*	2,121,064 *	912,910 *
ACCUMULATED DEFICIT	*B-4*	<u> 0</u> *	<u> 0</u> *
TOTAL OPERATING & NON-OPERATING APPROPRIATIONS & ACCUMULATED DEFICIT(B-2 + B-3 + B-4)	*B-5*	<u>15,323,150</u> *	<u>15,911,559</u> *
LESS: UNRESERVED RETAINED EARNINGS UTILIZED	*R-3*	<u> 0</u> *	<u>100,000</u> *
NET TOTAL APPROPRIATIONS (B-5 + R-3)	*B-6*	<u>\$15,323,150</u> *	<u>\$15,811,559</u> *

2010 ADOPTION CERTIFICATION

STONY BROOK REGIONAL SEWERAGE AUTHORITY

AUTHORITY BUDGET

FISCAL YEAR PERIOD DECEMBER 1, 2009 TO NOVEMBER 30, 2010

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 Stony Brook Regional Sewerage Authority pursuant to N.J.A.C. 5:31-2.3, on the 1st day of December 2009.



(Secretary's Signature)

John V. Kantorek
(name)

Executive Director
(title)

290 River Road

Princeton, New Jersey 08540

609 924-8881 / 924-2857
telephone / fax

2010 ADOPTED BUDGET RESOLUTION

STONY BROOK REGIONAL SEWERAGE AUTHORITY
FISCAL YEAR PERIOD DECEMBER 1, 2009 TO NOVEMBER 30, 2010

Resolution No. 2009-33

WHEREAS, the Annual Budget and Capital Budget/Program for the STONY BROOK REGIONAL SEWERAGE Authority for the fiscal year period beginning December 1, 2009 and ending November 30, 2010 has been presented for adoption before the governing body at its meeting of November 16, 2009 ; and

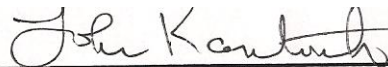
WHEREAS, the Annual Budget and Capital Budget as presented for adoption reflects each item of revenue and appropriation in the same amount and title as set forth in the introduced and approved budget, including all amendments thereto, if any, which have been approved by the Director of the Division of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

WHEREAS, the Annual Budget as presented for adoption reflects total Revenues of \$15,323,150, Total Appropriations, including any Accumulated Deficit, if any of \$15,323,150 and Total Unrestricted Net Assets utilized of \$0 ; and

WHEREAS, the Capital Budget as presented for adoption reflects Total Capital Appropriations of \$6,500,000 and Total Unrestricted Net Assets planned to be utilized as funding thereof, of \$ 400,000; and

NOW, THEREFORE BE IT RESOLVED by the governing body of the STONY BROOK REGIONAL SEWERAGE Authority at a open public meeting held on November 16, 2009 that the Annual Budget and Capital Budget/Program of the STONY BROOK REGIONAL SEWERAGE Authority for the fiscal year period beginning December 1, 2009 and ending November 30, 2010 is hereby approved; 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 appropriations 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)

November 16, 2009

(date)

Recorded Vote

<u>RECORDED VOTE:</u>	<u>AYE</u>	<u>NO</u>	<u>ABSTAIN</u>	<u>ABSENT</u>
Robert A. Bartolini	x			
Gale D. Downey	x			
David Miller	x			
C. Schuyler Morehouse	x			
Bharat Patel	x			
James McKinnon	x			
Charles T. Watson, Jr.	x			

2010

STONY BROOK REGIONAL SEWERAGE AUTHORITY

**AUTHORITY CAPITAL
BUDGET PROGRAM**

2010 CERTIFICATION OF AUTHORITY CAPITAL BUDGET/PROGRAM

STONY BROOK REGIONAL SEWERAGE AUTHORITY

FISCAL YEAR PERIOD DECEMBER 1,2009 TO NOVEMBER 30, 2010

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 Stony Brook Regional Sewerage Authority on the 28th day of September 2009.



(Secretary's signature)

John V. Kantorek

(name)

Executive Director

(title)

290 River Road

Princeton, New Jersey 08540

609 924-8881 / 924-2857

telephone / fax

STONY BROOK REGIONAL SEWERAGE AUTHORITY

FISCAL YEAR PERIOD DECEMBER 1,2009 to NOVEMBER 30, 2010

- 1) Has the capital plan and budget been prepared in consultation with, or reviewed by, the local and county planning boards, governing body(ies) or other affected governmental entities of the jurisdiction(s) served by the authority?

Comments received during September from Finance Officers and other municipal officials are welcome to comment prior to adoption.

- 2) Has each capital project/purchase been developed from a specific plan, or report and have the full life cycle costs of each project/purchase been calculated?

Most capital projects are based on reports or studies. Many of the capital projects are developed based on operational needs and regulatory requirements. Capital, O&M costs and in most cases O&M cost savings are developed for each project.

- 3) Has the authority prepared a long term (10-20 years) infrastructure needs assessment?

NO

- 4) Are any of the projects/purchases being undertaken in a community which has a State Plan designated center? If so, please describe the relationship of the project to the center goals and objectives?

NO

- 5) Describe the impact on the Service Fee and/or user charges if the proposed capital expenditures are undertaken. Indicate impact on current and future year's rates.

Regulatory compliance (and good neighbor) items such as odor control projects will increase participant charges because they have no associated pay back in terms of reduced operating expenditures. Other projects such as non-regulatory compliance items will continue to focus on items that have an attractive pay back period.

The completion of the Regenerative Thermal Oxidizer (RTO) for our incinerator will provide significant fuel saving for the operation of our incinerator.

The Nitrification. Aerator & Chemical Storage/Feed project funded through the NJEIT/ARRA is needed to replace worn out Aerators and our caustic and polymer storage and feed systems. This project is expected to receive principal forgiveness of 50% of the project cost.

Our greatest saving will come from projects that continue to reduce our largest expenditures which are fuel, electricity, chemicals and labor.

2010
 AUTHORITY CAPITAL BUDGET
 AND CAPITAL IMPROVEMENT PLAN
 STONY BROOK REGIONAL SEWERAGE AUTHORITY
 FISCAL YEAR PERIOD DEC. 1, 2009 TO NOVEMBER 30, 2010

PROPOSED YEAR'S CAPITAL PLAN FUNDING SOURCES-2010 only

	<u>PROJECTS</u>	<u>Est Compl. Date</u>	<u>2010 ESTIMATED TOTAL COST</u>	<u>UNRESTRICTED RETAINED EARNINGS</u>	<u>RENEWAL & REPLACEMENT RESERVE</u>	<u>CURRENT DEBT AUTHORIZATION</u>	<u>FUTURE DEBT AUTHORIZATION</u>	<u>OTHER SOURCES</u>
1	Small Capital Projects	12/2010	\$ 400,000	\$ 400,000				
2	Nitrification Tank Aerator & Chem. Feed System-ba	12/2010	\$ 3,100,000			\$ 3,100,000		
3	River Road STP Headworks	7/2012	\$ 3,000,000				\$ 3,000,000	

TOTALS

\$ 6,500,000	\$ 400,000	\$ -	\$ 3,100,000	\$ 3,000,000	\$ -
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2010
 AUTHORITY CAPITAL BUDGET
 AND CAPITAL IMPROVEMENT PLAN
 STONY BROOK REGIONAL SEWERAGE AUTHORITY
 FISCAL YEAR PERIOD DEC. 1, 2009 TO NOVEMBER 30, 2010

5 YEAR CAPITAL PLAN

	PROJECTS	Est Compl. Date	ESTIMATED TOTAL COST	2010					2011		2012		2013		2014		2015 or after	
1	Small Capital Projects	12/2014	\$ 2,000,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000
2	Nitrification Tank Aerator & Chem. Feed System-ba	12/2010	\$ 3,100,000	\$ 3,100,000														
3	River Road STP Headworks	4/2011	\$ 4,800,000	\$ 3,000,000	\$ 1,800,000													
4	Pennington STP Phosphorous/Expansion/Upgrade	7/2012	\$ 5,000,000		\$ 3,500,000	\$ 1,500,000												
5	Hopewell STP Phos. Removal (chem add only 0.15	1/2012	\$ 500,000		\$ 400,000	\$ 100,000												
6	High Solids Schwing Pumps	3/2012	\$ 1,200,000		\$ 900,000	\$ 300,000												
7	River Road STP -Emergency Generator	12/2012	\$ 3,000,000		\$ -	\$ 2,800,000	\$ 200,000											
8	Schwing Pumps (5Pumps)	3/2013	\$ 2,500,000		\$ -	\$ 2,000,000	\$ 500,000											
9	Hopewell STP Upgrade	11/2015	\$ 2,500,000		\$ -	\$ -	\$ -	\$ 1,000,000	\$ 1,500,000									
10	River Road Phosphorous (chem add only 0.1 mg/l)	3/2015	\$ 600,000		\$ -	\$ -	\$ -	\$ 450,000	\$ 150,000									
Year 2015 or After:																		
11	Additional Backwash Storage	>2015	\$ 1,500,000															\$ 1,500,000
12	Unidentified Alternative Energy Project	>2015	\$ 1,000,000															\$ 1,000,000
13	Unidentified Odor Control Project	>2015	\$ 1,000,000															\$ 1,000,000
14	River Road STP Improvements / Expansion	>2015	\$ 20,000,000															\$ 20,000,000

needs funding-future debt service

TOTALS	\$ 48,700,000	\$ 6,500,000	\$ 7,000,000	\$ 7,100,000	\$ 1,100,000	\$ 1,850,000	\$ 25,150,000	\$ 48,700,000
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2010
 AUTHORITY CAPITAL BUDGET
 AND CAPITAL IMPROVEMENT PLAN
 STONY BROOK REGIONAL SEWERAGE AUTHORITY
 FISCAL YEAR PERIOD DEC. 1, 2008 TO NOVEMBER 30, 2009

5 YEAR CAPITAL PLAN

	<u>PROJECTS</u>	<u>Est Compl. Date</u>	<u>ESTIMATED TOTAL COST</u>	<u>UNRESTRICTED RETAINED EARNINGS</u>	<u>RENEWAL & REPLACEMENT RESERVE</u>	<u>CURRENT DEBT AUTHORIZATION</u>	<u>FUTURE DEBT AUTHORIZATION</u>	<u>OTHER SOURCES</u>	<u>comment</u>
1	Small Capital Projects	12/2014	\$ 2,000,000	\$ 2,000,000	\$ -				
2	Nitrification Tank Aerator & Chem. Feed System-ba	12/2010	\$ 3,100,000			\$ 3,100,000			
3	River Road STP Headworks	4/2011	\$ 4,800,000				\$ 4,800,000		
4	Pennington STP Phosphorous/Expansion/Upgrade	7/2012	\$ 5,000,000			\$ 5,000,000			
5	Hopewell STP Phos. Removal (chem add only 0.15	1/2012	\$ 500,000				\$ 500,000		
6	High Solids Schwing Pumps	3/2012	\$ 1,200,000				\$ 1,200,000		
7	River Road STP -Emergency Generator	12/2012	\$ 3,000,000				\$ 3,000,000		
8	Schwing Pumps (5Pumps)	3/2013	\$ 2,500,000				\$ 2,500,000		
9	Hopewell STP Upgrade	11/2015	\$ 2,500,000				\$ 2,500,000		
10	River Road Phosphorous (chem add only 0.1 mg/l)	3/2015	\$ 600,000				\$ 600,000		
Year 2015 or After:									
11	Additional Backwash Storage	>2015	\$ 1,500,000				\$ 1,500,000		
12	Unidentified Alternative Energy Project	>2015	\$ 1,000,000				\$ 1,000,000		
13	Unidentified Odor Control Project	>2015	\$ 1,000,000				\$ 1,000,000		
14	River Road STP Improvements / Expansion	>2015	\$ 20,000,000				\$ 20,000,000		

\$ 48,700,000	\$ 2,000,000	\$ -	\$ 8,100,000	\$ 38,600,000	\$ -
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TOTALS

\$ 48,700,000

CC: John, Toni

PAGE CB-5

2010

**STONY BROOK REGIONAL SEWERAGE
AUTHORITY**

**AUTHORITY
SUPPLEMENTAL
SCHEDULES**

State of New Jersey

Division of Local Government Services

2010
AUTHORITY BUDGET
SUPPLEMENTAL SCHEDULES

STONY BROOK REGIONAL SEWERAGE AUTHORITY

FISCAL YEAR PERIOD DECEMBER 1,2009 TO NOVEMBER 30, 2010

====OPERATING REVENUES====

--SERVICE CHARGES--	<u>CROSS REF.</u>	<u># UNITS</u>	2010 PROPOSED ANNUAL COLLECTION	<u># UNITS</u>	2009 CURRENT YEAR'S ADOPTED BUDGET
RESIDENTIAL	* *			*	*
BUSINESS/COMMERCIAL	* *			*	*
INDUSTRIAL	* *			*	*
INTERGOVERNMENTAL	* *			*	*
OTHER	* *		<u>12,295,150</u>		<u>12,365,319</u> *
TOTAL SERVICE CHARGES	*A-1*		<u>12,295,150</u>		<u>12,365,319</u> *

--CONNECTION FEES--	<u>CROSS REF.</u>	<u># UNITS</u>	2010 PROPOSED ANNUAL COLLECTION	<u># UNITS</u>	2009 CURRENT YEAR'S ADOPTED BUDGET
RESIDENTIAL	* *			*	*
BUSINESS/COMMERCIAL	* *			*	*
INDUSTRIAL	* *			*	*
INTERGOVERNMENTAL	* *			*	*
OTHER	* *		_____	*	_____*
TOTAL CONNECTION FEES	*A-2*		<u> -- </u>	*	<u> -- </u> *

INCLUDE ALL APPLICABLE RATE SCHEDULES TO SUPPORT SUCH FEES

2010
AUTHORITY BUDGET
SUPPLEMENTAL SCHEDULES

STONY BROOK REGIONAL SEWERAGE AUTHORITY

FISCAL YEAR PERIOD DECEMBER 1,2009 TO NOVEMBER 30, 2010

====OPERATING REVENUES====

----PARKING FEES----	<u>CROSS</u> <u>REF.</u>	<u>#</u> <u>UNITS</u>	2010 <u>PROPOSED</u> <u>ANNUAL</u> <u>COLLECTION</u>	<u>#</u> <u>UNITS</u>	2009 <u>CURRENT</u> <u>YEAR'S</u> <u>ADOPTED</u> <u>BUDGET</u>
METERS	* *		*		*
PERMITS	* *		*		*
FINES/PENALTIES	* *		*		*
OTHER	* *		*		*
TOTAL PARKING FEES	*A-3*		<u> --</u> *		<u> --</u> *

OTHER OPERATING REVENUES	<u>CROSS</u> <u>REF.</u>	<u>#</u> <u>UNITS</u>	2010 <u>PROPOSED</u> <u>COLLECTION</u>	<u>#</u> <u>UNITS</u>	2009 <u>CURRENT</u> <u>YEAR'S</u> <u>ADOPTED</u> <u>BUDGET</u>
LIST IN DETAIL:					
LIQUID SLUDGE	* *		936,000 *		950,000 *
CAKE SLUDGE	* *		1,590,000 *		1,855,000 *
SPECIAL WASTE	* *		75,000 *		75,000 *
SEPTAGE	* *		47,000 *		100,240 *
PRINCETON FARMS	* *		<u>180,000</u> *		<u>180,000</u> *
TOTAL OTHER REVENUES	*A-4*		<u>\$2,828,000</u>		<u>\$3,160,240</u>

INCLUDE ALL APPLICABLE RATE SCHEDULES TO SUPPORT SUCH FEES

2010
AUTHORITY BUDGET
SUPPLEMENTAL SCHEDULES

STONY BROOK REGIONAL SEWERAGE AUTHORITY

FISCAL YEAR PERIOD DECEMBER 1, 2009 TO NOVEMBER 30, 2010

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

---GRANTS &--- ---ENTITLEMENTS---	CROSS <u>REF.</u>	2010 PROPOSED <u>BUDGET</u>	2009 CURRENT YEAR'S ADOPTED <u>BUDGET</u>
LIST IN DETAIL:			
	* *		*
N/A	* *		*
	* *		*
	* *	_____*	_____*
TOTAL GRANTS & ENT.	*A-5*	== -- *	== -- *

---LOCAL SUBSIDES--- ---& DONATIONS---	CROSS <u>REF.</u>	2010 PROPOSED <u>BUDGET</u>	2009 CURRENT YEAR'S ADOPTED <u>BUDGET</u>
LIST IN DETAIL:			
	* *		*
N/A	* *		*
	* *		*
	* *	_____*	_____*
TOTAL SUB. & DONATIONS	*A-6*	== -- *	== -- *

2010
AUTHORITY BUDGET
SUPPLEMENTAL SCHEDULES

STONY BROOK REGIONAL SEWERAGE AUTHORITY

FISCAL YEAR PERIOD DECEMBER 1, 2009 TO NOVEMBER 30, 2010

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

----INTEREST ON INVESTMENTS---- ----AND DEPOSITS----	CROSS <u>REF.</u>	2010 PROPOSED <u>BUDGET</u>	2009 CURRENT YEAR'S ADOPTED <u>BUDGET</u>
INVESTMENTS	* *	\$ 160,000 *	\$ 250,000 *
SECURITY DEPOSITS	* *	*	*
PENALTIES	* *	*	*
OTHER INVESTMENTS	* *	*	*
TOTAL INTEREST ON INVEST.	*A-7*	<u>\$ 160,000</u> *	<u>\$ 250,000</u> *
OTHER NON-OPERATING REVENUES	CROSS <u>REF.</u>	2010 PROPOSED ANNUAL <u>COLLECTION</u>	2009 CURRENT YEAR'S ADOPTED <u>BUDGET</u>
LIST IN DETAIL:			
Insurance Dividend	* *	30,000 *	30,000 *
Misc	* *	10,000 *	6,000 *
	* *	*	*
	* *	*	*
	* *	*	*
	* *	*	*
	* *	*	*
TOTAL OTHER REVENUES	*A-8*	<u>40,000</u> *	<u>36,000</u> *

2010
AUTHORITY BUDGET
SUPPLEMENTAL SCHEDULES

STONY BROOK REGIONAL SEWERAGE AUTHORITY

FISCAL YEAR PERIOD DECEMBER 1,2009 TO NOVEMBER 30, 2010

====SUPPLEMENTAL SCHEDULES====

	<u>CROSS REF.</u>	<u>2010 PROPOSED BUDGET</u>	<u>2009 CURRENT YEAR'S ADOPTED BUDGET</u>
-- RENEWAL & -- REPLACEMENT RESERVE(S)			
LIST IN DETAIL:			
Renewal / Replacement	* C 1	*	\$ 100,000 *
	* *	*	*
	* *	*	*
	* *	*	*
TOTAL RENEWAL & REPLACEMENT RESERVE(S)	C-1*	<u>\$ 0</u> *	<u>\$ 100,000</u> *

	<u>CROSS REF.</u>	<u>2010 PROPOSED ANNUAL COLLECTION</u>	<u>2009 CURRENT YEAR'S ADOPTED BUDGET</u>
OTHER RESERVE(S)			
LIST IN DETAIL:			
Reserved for Capital Projects	* *	1,300,000 *	*
	* *	*	*
	* *	*	*
	* *	*	*
	* *	*	*
	* *	*	*
	* *	*	*
TOTAL OTHER RESERVES	*C-2*	<u>\$ 1,300,000</u> *	<u>\$</u> *

2010
AUTHORITY BUDGET
SUPPLEMENTAL SCHEDULES

STONY BROOK REGIONAL SEWERAGE AUTHORITY

FISCAL YEAR PERIOD DECEMBER 1,2009 TO NOVEMBER 30, 2010

====PROPOSED YEARS DEBT SERVICE REQUIREMENT====

----PRINCIPAL PAYMENTS----	CROSS <u>REF.</u>	2010 PROPOSED <u>BUDGET</u>	2009 CURRENT YEAR'S ADOPTED <u>BUDGET</u>
AUTHORITY NOTES	* *	*	*
AUTHORITY BONDS	* *	1,560,000 *	3,030,000 *
CAPITAL LEASES	* *	*	*
INTERGOVERN. LOANS	* *	271,107 *	*
OTHER OBLIGATIONS	* *	*	*
TOTAL PRINCIPAL PAYMENTS	*D-1*	<u>\$1,831,107</u> *	<u>\$ 3,030,000</u> *

----INTEREST PAYMENTS----	CROSS <u>REF.</u>	2010 PROPOSED ANNUAL <u>COLLECTION</u>	2009 CURRENT YEAR'S <u>BUDGET</u>
AUTHORITY NOTES	* *	*	*
AUTHORITY BONDS	* *	\$659,000 *	\$ 812,910 *
CAPITAL LEASES	* *	*	*
INTERGOVERN. LOANS	* *	162,064 *	*
OTHER OBLIGATIONS	* *	*	*
TOTAL INTEREST PAYMENTS	*D-2*	<u>\$ 821,064</u> *	<u>\$ 812,910</u> *

2010
AUTHORITY BUDGET
SUPPLEMENTAL SCHEDULES

STONY BROOK REGIONAL SEWERAGE AUTHORITY

FISCAL YEAR PERIOD DECEMBER 1,2009 TO NOVEMBER 30, 2010

====5 YEAR DEBT SERVICE SCHEDULE====

PRINCIPAL PAYMENTS		<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
--AUTHORITY BONDS--		*	*	*	*	*
	*					
	*	*	*	*	*	*
	*	*	*	*	*	*
	*	<u>1,560,000</u>	<u>1,645,000</u>	<u>1,745,000</u>	<u>565,000</u>	<u>590,000</u>
TOTAL PAYMENTS P-1	*	<u>1,560,000</u>	<u>1,645,000</u>	<u>1,745,000</u>	<u>565,000</u>	<u>590,000</u>
--AUTHORITY NOTES--	*	*	*	*	*	*
		-----	-----	-----	-----	-----
TOTAL PAYMENTS P-2	*	*	*	*	*	*
		-----	-----	-----	-----	-----
--AUTHORITY CAPITAL LEASES--	*	*	*	*	*	*
	*	*	*	*	*	*
	*	*	*	*	*	*
		-----	-----	-----	-----	-----
TOTAL PAYMENTS P-3	*	*	*	*	*	*
		-----	-----	-----	-----	-----
--AUTHORITY INTERGOVERNMENTAL LOANS-	*	250,937 *	263,909 *	268,440 *	274,016 *	271,277
2009 NJEIT	*	20,170 *	88,386 *	87,955 *	87,453 *	94,865 *
		-----	-----	-----	-----	-----
TOTAL PAYMENTS P-4	*	*	*	*	*	*
		-----	-----	-----	-----	-----
-AUTHORITY OTHER BONDS OR NOTES--	*	*	*	*	*	*
	*	*	*	*	*	*
TOTAL PRINCIPAL DEBT PAYMENTS D-1	0	<u>1,831,107</u>	<u>1,997,295</u>	<u>2,101,395</u>	<u>926,469</u>	<u>956,142</u>

2010
AUTHORITY BUDGET
SUPPLEMENTAL SCHEDULES

STONY BROOK REGIONAL SEWERAGE AUTHORITY

FISCAL YEAR PERIOD DECEMBER 1,2009 TO NOVEMBER 30, 2010

=====5 YEAR DEBT SERVICE SCHEDULE=====

INTEREST PAYMENTS		2010	2011	2012	2013	2014
--AUTHORITY BONDS--	*	*	*	*		
	*		*	*		
	*	<u>659,000</u>	<u>584,162</u>	<u>502,906</u>	<u>415,496</u>	<u>389,226</u>
TOTAL PAYMENTS P-1	0	<u>659,000</u>	<u>584,162</u>	<u>502,906</u>	<u>415,496</u>	<u>389,226</u>
-AUTHORITY NOTES--	*	*	*	*		
		-----	-----	-----	-----	-----
TOTAL PAYMENTS P-2	*	*	*	*		
		-----	-----	-----	-----	-----
AUTHORITY CAPITAL LEASES--	*	*	*	*		
	*	*	*	*		
	*	*	*	*		
TOTAL PAYMENTS P-3		-----	-----	-----	-----	-----
-AUTHORITY INTERGOVERNMENTAL LOANS-	*	128,242 *	122,992 *	117,242	113,162	108,788
2009 NJEIT	*	33,822 *	41,135 *	40,411 *	39,571	38,615
TOTAL PAYMENTS P-4	*	*	*	*		
		-----	-----	-----	-----	-----
AUTHORITY OTHER BONDS OR NOTES-	*	*	*	*		
		*	*	*		
TOTAL INTEREST DEBT PAYMENTS D-2	*	<u>821,064</u>	<u>748,289</u>	<u>660,559</u>	<u>568,229</u>	<u>536,629</u>

**AUTHORITY BUDGET
SUPPLEMENTAL SCHEDULES**

(OPERATION)

FISCAL YEAR: FROM December 1, 2009 TO November 30, 2010

(1)	PY UNRESTRICTED NET ASSETS	PY AUDIT	*	\$2,370,559
ADJUSTMENTS DURING CURRENT YEAR				
	(a) EST. NET INCOME OR (LOSS) ON CURRENT YEAR'S RESULTS OF OPERATIONS (Include unbudgeted use of unrestricted net assets)		*	\$317,596
	(b) ADJUSTMENTS: OTHER (Attach list):	NJEIT reimb.	*	\$74,010
(2)	SUBTOTAL - ADJUSTMENTS	(ADD AMOUNTS ON LINES a-b)	*	<u>\$391,606</u>
CURRENT YEAR ESTIMATED CHANGES IN RESTRICTIONS				
(attach documentation)				
	(c) DEBT SERVICE		*	
	(d) CAPITAL RESERVE	current budget	*	\$100,000
	(e) OPERATING REQUIREMENT		*	
	(f) OTHER LEGAL RESERVATIONS	change in bond res.	*	\$16,568
(3)	SUB-TOTAL - RESTRICTIONS	(ADD AMOUNTS ON LINES c-f)	*	<u>\$116,568</u>
DESIGNATIONS (attach documentation)				
	(g) NON-OPERATING IMPROVEMENTS & REPAIRS (CB-4&5)	est '09 expend	*	(\$500,000)
	(h) CONTRIBUTION TO RATE STABILIZATION PLAN (#)		*	
	(i) OTHER BOARD DESIGNATION	Increase R/R	*	(\$1,000,000)
	(j) ADJUSTMENTS /OTHER (Attach list):		*	\$0
(4)	SUBTOTAL - DESIGNATIONS	(ADD AMOUNTS ON LINES g-i)	*	<u>(\$1,500,000)</u>
(5)	TOTAL ESTIMATED CHANGES TO NET ASSETS (ADD LINES 2, 3, and 4)		*	<u>(\$991,826)</u>
(6)	NET ASSETS AVAILABLE FOR USE IN PROPOSED BUDGET	(SUBTRACT LINE 5 FROM LINE 1)	*	<u>\$1,378,733</u>
PROPOSED USE OF AVAILABLE NET ASSETS				
(7)	AS REVENUE IN ANNUAL BUDGET (PAGE 6, LINE R-3)		*	\$0
(8)	FOR CURRENT YEAR CAPITAL BUDGET (PAGE CB-3)		*	\$400,000
(9)	SUBTOTAL - NET ASSET USE	(ADD AMOUNTS ON LINES 7-8)	*	<u>\$400,000</u>
(10)	MAXIMUM ALLOWABLE FOR APPROPRIATION TO MUNICIPALITY/COUNTY (Budget Item B-2 times 5%)	<u>N/A</u>		N/A
(11)	AS APPROPRIATED TO MUNICIPALITY/COUNTY (PAGE 6)		*	N/A
(12)	TOTAL UNRESTRICTED/UNDESIGNATED NET ASSETS	(SUBTRACT LINES 9 AND 11 FROM LINE 6)	*	<u>\$978,733</u>

(#) Explain in detail in the Budget Message

CERTIFIED BY: 

DATE: 9/28/09

2009 RATE SCHEDULE
NOTICE OF PUBLIC HEARING

Notice is hereby given that a public hearing will be held by the **STONY BROOK REGIONAL SEWERAGE AUTHORITY** on Monday, December 15, 2008 at 8:00 PM in the Conference Room, Operations Building, 290 River Road, Princeton, NJ.

I. Liquid Sludge														
Percent Solids	ANNUAL COMMITTED VOLUME PER SOURCE:			Uncommitted Contract										
	Over 1 Million	0.5 - 0.99 Million	Up to 0.5 Million											
0.0% - 5.5%	\$ 52	\$ 62	\$72	\$ 82										
5.5% - 7.0%	\$ 72	\$ 82	\$ 87	\$102										
<p>Notes:</p> <ol style="list-style-type: none"> 1) All cost quotes are in dollars per 1000 gallons. 2) Effective Date and Terms of Revised Schedule: These rates are in effect for calendar year 2009. See below additional discounts on longer-term contracts. 3) Discounted Items: Deduct \$5/1000 gallons for Saturday and Sunday deliveries. Deduct \$5/1000 gallons for all quantities delivered in excess of 3 million gallons during 2009. Contracts through 12/31/10, <u>\$2/1000 gallons off 2010 posted rate.</u> Contracts through 12/31/11, <u>\$4/1000 gallons off 2011 posted rate.</u> 4) Sludge which has volatile solids between 40 and 49.9% will be surcharged \$5/1000 gallons. Sludge below 40% volatile solids is not accepted. 5) All non-contract sludge will be processed on a C.O.D. basis. 6) For customers requesting to enter into contracts for committed volume in excess of 1.0 million gallons per year, and for a period of time in excess of one year, SBRSA may modify the above rates if, in its judgment, such modification is necessary to ensure the commitment of sufficient volume to utilize SBRSA's available sludge disposal capacity. 														
II.	<p>Sludge Cake</p> <ol style="list-style-type: none"> a. \$62/Cubic Yard (14 - 22% Solids) b. \$57/Cubic Yard (22.1 - 30% Solids) c. \$2/Cubic Yard discount for Saturday/Sunday deliveries <p>Note: Sludge Cake Rates are negotiable for annual commitments in excess of 1,000 cu yds.</p>													
III.	<p>Septage</p> <table border="0" style="width: 100%;"> <thead> <tr> <th style="text-align: center;">Gallons</th> <th style="text-align: center;">All gallons Billed at</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">0 - 200,000</td> <td style="text-align: center;">\$62</td> </tr> <tr> <td style="text-align: center;">200,000 - 400,000</td> <td style="text-align: center;">61</td> </tr> <tr> <td style="text-align: center;">400,000 - 800,000</td> <td style="text-align: center;">59</td> </tr> <tr> <td style="text-align: center;">800,000 - 1,200,000</td> <td style="text-align: center;">57</td> </tr> </tbody> </table> <p>Note: All cost quotes are in dollars per 1,000 gallons. Commitments in excess of 1.2 million gallons/year are negotiable.</p>				Gallons	All gallons Billed at	0 - 200,000	\$62	200,000 - 400,000	61	400,000 - 800,000	59	800,000 - 1,200,000	57
Gallons	All gallons Billed at													
0 - 200,000	\$62													
200,000 - 400,000	61													
400,000 - 800,000	59													
800,000 - 1,200,000	57													
IV.	<p>Gray Water</p> <p align="center">\$32</p> <p>Note: All cost quotes are in dollars per 1,000 gallons. Commitments in excess of 1.0 million gallons/year are negotiable.</p>													
V.	<p>Special Waste (Industrial Users)</p> <ol style="list-style-type: none"> a. Flow Charge is \$0.9/1000 gallons b. Site Remediation flow charge from landfill or groundwater remediation projects is \$1.80/1000 gallons 													
VI.	<p>High Strength User Surcharges:</p> <ol style="list-style-type: none"> a. Biochemical Oxygen Demand (over 300 mg/l) - Suspended for 2009. b. Total Suspended Solids (over 300 mg/l) - Suspended for 2009. c. Ammonia Nitrogen (over 40 mg/l) - Suspended for 2009. 													

SBRSA reserves the right to submit, direct or through haulers, sealed competitive bid prices as authorized by resolution.

Further information regarding this hearing may be obtained by contacting the **Stony Brook Regional Sewerage Authority office (609) 924-8881.**

John V. Kantorek,
Secretary