

REGULAR MEETING OF THE MUSCONETCONG SEWERAGE AUTHORITY

Chairman Rattner called the meeting to order at 7:30 PM. Following the Pledge of Allegiance to the Flag, announcement was made that adequate notice of this meeting had been provided for as defined by the "Open Public Meetings Act".

MEMBERS PRESENT: Thomas Bruno, Andrew Cangiano, Michael Grogan, Brian McNeilly, Melanie Michetti, Michael Pucilowski, Steven Rattner, Richard Schindelar, Joseph Schwab, Elmer Still, John Sylvester

MEMBERS ABSENT: James Benson

OTHERS PRESENT: Patrick Dwyer Esq., James Wancho PE, Debbie Palma QPA, James Schilling MSA Director, Marvin Joss Administrative

Chairman Rattner opened and closed the meeting to the public.

The regular meeting minutes of MAY 23, 2019 were tabled Chairman Rattner, pending revisions.

Commissioner Michetti pointed out that the May meeting minutes were cut off.

Commissioner Schwab questioned the language related to "the remaining 19 pumps will be procured utilizing the PVSC Co-Op. He asked that be revised to reflect Board Member vote and discussion.

Commissioner Schwab asked that Jim Wancho's report regarding the Air Permit be revised to "isn't any new information rather than is"

The closed session minutes of MAY 23, 2019 were tabled until the July meeting.

The **Financial Report** of MAY 2019 was accepted on a motion offered by Mr. Schwab, seconded by Mr. Cangiano and the affirmative roll call vote of members present.

Financial Report- MAY 2019
Operating Account

3:35 PM
 06/21/19
 Cash Basis

Musconetcong Sewerage Authority
Balance Sheet
 As of May 31, 2019

	May 31, 19
ASSETS	
Current Assets	
Checking/Savings	
Operating Acct TD Bank	1,802,836.51
Payroll Account TD Bank 2014	14,062.25
Capital Improvement TD Bank	552,568.17
Escrow Account TD Bank	8,722.99
Renewal & Replacement TD Bank	435,476.97
Petty Cash	150.00
Total Checking/Savings	<u>2,813,816.89</u>
Total Current Assets	2,813,816.89
Fixed Assets	
Construction in Progress	140,812.54
Accumulated Depreciation	-34,578,211.27
Capital Assets, Depreciated	80,341,541.86
Land	505,700.00
Total Fixed Assets	<u>26,409,843.13</u>
Other Assets	
Def. Pension Outflows	755,406.00
Total Other Assets	<u>755,406.00</u>
TOTAL ASSETS	<u>29,979,066.02</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Accrued Payroll Liabilities	-2,824.84
Escrow Deposits Payable	12,618.14
Compensated Absences Payable	50,613.64
Accrued Interest Payable	45,350.00
Accounts Payable - Pension	96,458.00
Accrued Liabilities	8,550.22
Total Other Current Liabilities	<u>210,765.16</u>
Total Current Liabilities	210,765.16
Long Term Liabilities	
Net Pension Liability	2,423,796.00
Loans Payable	4,030,840.38
Def. Inflows of Resources	
Unamort Gain on Refunding 2007	30,600.00
Def. Pension Inflows	486,521.00
Total Def. Inflows of Resources	<u>517,121.00</u>
Total Long Term Liabilities	<u>6,971,757.38</u>
Total Liabilities	7,182,522.54
Equity	
Net Investment in Capital Asset	22,348,403.00
Restricted	1,223,798.50
Unrestricted	-1,664,793.71

3:35 PM
06/21/19
Cash Basis

Musconetcong Sewerage Authority
Balance Sheet
As of May 31, 2019

	May 31, 19
32000 - Retained Earnings	147,616.41
Net Income	741,519.28
Total Equity	22,796,543.48
TOTAL LIABILITIES & EQUITY	29,979,066.02

Musconetcong Sewerage Authority
Budget vs. Actual Expenditure Report
 January through May 2019

3:38 PM
 06/21/2019

	Jan - May 19	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
Net Position Utilized	107,978.00	107,978.00	0.00	100.0%
budget reimbursement	0.00	0.00	0.00	0.0%
Interest	8,628.83			
trustee passdown	1,960,816.18	4,427,402.00	-2,466,585.82	44.29%
Total Income	2,077,422.81	4,535,380.00	-2,457,957.19	45.81%
Expense				
Personnel Services				
B-1 · Administrative-S&W	61,953.82	172,000.00	-110,046.18	36.02%
B-14 · Operating-S&W	246,243.80	667,500.00	-419,256.20	37.19%
Total Personnel Services	310,197.62	839,500.00	-529,302.38	36.95%
Employee Benefits				
B-9 · Pension	96,465.00	102,000.00	-5,545.00	94.56%
B-8 · Social Security	23,604.21	66,500.00	-41,895.79	36.04%
B-10 · Hosp				
Dental/Eyeglass	2,123.48			
B-10 · Hosp - Other	65,495.87	200,000.00	-134,504.13	32.75%
Total B-10 · Hosp	67,619.35	200,000.00	-132,380.65	33.81%
B-11 · Disability Insurance	2,967.92	10,000.00	-7,032.08	29.68%
B-6 · Unemployment	4,389.33	7,000.00	-2,610.67	62.71%
Total Employee Benefits	195,035.81	384,500.00	-189,464.19	50.73%
Administration Expenses	9,730.78	40,000.00	-30,269.22	24.33%
Operations and Maintenance				
B-3 · Legal	17,461.60	30,000.00	-12,548.40	58.17%
B-4 · Audit	2,002.12	16,000.00	-12,997.88	13.35%
B-5 · Engineer	9,913.93	30,000.00	-20,086.07	33.05%
B-15 · Telephone	5,967.54	20,000.00	-14,012.46	29.94%
B-16 · Electric	149,200.20	482,600.00	-333,299.80	30.92%
B-17 · Propane/Fuel Oil	7,385.47	29,000.00	-21,604.53	25.5%
B-18 · Supplies/Chemicals	83,423.92	200,000.00	-116,576.08	41.71%
B-27 · Laboratory Supplies	4,233.84	12,000.00	-7,766.16	35.29%
B-13 · Office	19,521.60	25,000.00	-5,478.40	78.09%
B-31 · External Services	13,705.54	70,000.00	-56,294.46	19.58%
B-28 · Education/Training	7,200.34	20,000.00	-12,799.66	36.0%
B-25 · Laboratory Fees	5,178.27	30,000.00	-24,821.73	17.26%
B-19 · Maintenance/Repairs	52,327.84	200,000.00	-147,672.16	26.16%
B-20 · Insurance	99,361.00	110,000.00	-10,639.00	90.33%
B-24 · NJDEP Fees	842.00	25,000.00	-24,158.00	3.37%
B-12 · Trustee Admin Fee	7,515.00	20,000.00	-12,485.00	37.58%

	Jan - May 19	Budget	\$ Over Budget	% of Budget
B-23 · Permit Appl/Compliance Fees	4,857.60	25,000.00	-20,142.40	19.43%
B-21 · Equipment	6,235.45	60,000.00	-53,764.55	10.39%
B-26 · Sludge Disposal	146,920.75	720,000.00	-673,079.25	20.41%
B-22 · Contingeny	0.00	25,000.00	-25,000.00	0.0%
Total Operations and Maintenance	643,274.01	2,148,500.00	-1,505,225.99	29.94%
Debt Service	84,322.39	722,880.00	-638,557.61	11.67%
Reserves				
B-29 · Capital Improvement	175,391.04	300,000.00	-124,608.96	58.46%
B-30 · Renewal & Replacement	50,000.00	100,000.00	-50,000.00	50.0%
Total Reserves	225,391.04	400,000.00	-174,608.98	56.35%
Total Expense	1,467,951.65	4,535,380.00	-3,067,428.35	32.37%

Other Income/Expense

Other Income

 OPRA request

Total Other Income

28.00

28.00

The **Pending Vouchers** for the month of JUNE were approved for payment on a motion offered by Mr. Schwab as amended, seconded by Mr. McNeilly and the affirmative roll call vote of members present.

Commissioner Schwab pointed out an amendment to the Pending Voucher were as the NJSHBP bill was posted twice as an electronic payment and check payment.

Actual Pending Voucher amount is \$785,527.83

Musconetcong Sewerage Authority
Monthly Bill List
 June 27, 2019

1:57 PM
06/21/2019

Memo	Split	Amount
Accurate Waste Removal Services		
May sludge hauling	B-28 · Sludge Disposal	-21,793.45
April sludge hauling	B-28 · Sludge Disposal	-22,613.50
		-44,406.95
ADP, Inc.		
tax payment service April 30 and payroll process	B-2 · Administrative-OE	-410.33
Allen, Scott		
2019 State Disability reimbursement	B-11 · Disability Insurance	-58.48
American Wear		
uniforms May 14-June 18	B-31 · External Services	-856.98
AmeriGas Propane		
891.2 gallons propane	B-17 · Propane/Fuel Oil	-1,020.42
Aqua Pro-Tech Laboratories		
Lab testing	B-25 · Laboratory Fees	-787.95
Barbato, E. Vincent		
2019 State disability reimbursement	B-11 · Disability Insurance	-58.48
Barbato, Nicholas		
Vision & Dental payments	B-10 Hospitalization	-230.00
2019 State Disability Ins reimbursement	B-11 · Disability Insurance	-58.48
		-288.48
Biasi, Patrick		
2019 State disability reimbursement	B-11 · Disability Insurance	-58.48
Blue Diamond Disposal, Inc.		
June service	B-31 · External Services	-312.37
Cintas First Aid & Safety		
Restock cabinets & check AED	B-31 · External Services	-85.86
City Fire Equipment		
Annual Inspection and service	B-31 · External Services	-797.00
Colabella, Robert		
2019 State Disability reimbursement	B-11 · Disability Insurance	-58.48
Constellation New Energy Inc.		
Main Plant 4/27-5/29	B-16 · Electric	-16,957.61
DeFazio, Keith		
2019 State disability reimbursement	B-11 · Disability Insurance	-58.48
Franks Trattoria		
Safety meeting and Annual training	B-28 · Education/Training	-303.06
Hach Company		
Posphata	B-27 · Laboratory Supplies	-47.02
Horizon Tool & Mold, Inc.		
4 Nylon centering wheels	B-19 · Maintenance/Repairs	-3,340.00
JCP&L		

	Memo	Split	Amount
	Pump stations electric 3/28-4/25	B-16 · Electric	-5,228.92
		B-16 · Electric	-5,562.13
	pump stations April 27-May 29	B-16 · Electric	-5,231.91
			<u>-16,023.86</u>
Local 32			
	April Union dues		-312.00
	May Union dues		-312.00
			<u>-624.00</u>
McMaster-Carr Supply Co.			
	thick wall steel unthreaded 1.25 Inch pipe	B-19 · Maintenance/Repairs	-127.20
	Distilled water	B-27 · Laboratory Supplies	-201.80
			<u>-329.00</u>
Mission Communications, LLC			
	Annual Service for Alarm-Plant & Pump stations	B-15 · Telephone	-3,787.80
Napa Auto Parts			
	various supplies	B-19 · Maintenance/Repairs	-68.59
Natcong Hardware Co.			
		B-19 · Maintenance/Repairs	-10.25
NJ American Water Co.			
	Water service May 28-June 6	B-31 · External Services	-705.74
NJIB			
	NJIB Loan Series 2010-B, Proj # S340-384-08	Debt Service	-58,643.68
	NJIB Loan Series 2010-B proj #S340-384-07 (PF)	Debt Service	-27,396.78
	NJIB Loan Series 2007-A, proj# S340-384-06	Debt Service	-135,628.47
			<u>-221,568.93</u>
NJSHBP			
	June coverage-PAID ONLINE	B-10 Hospitalization	-11,346.78
Office Concepts Group			
	various office supplies	B-13 · Office	-294.79
One Call Concepts, Inc.			
	March & May service	B-2 · Administrative-OE	-126.48
Passaic Valley Sewerage Comm			
	Liquid waste acceptance	B-26 · Sludge Disposal	-32,371.20
Pumping Service, Inc.			
	sub trash pumps & stand kits	B-19 · Maintenance/Repairs	-14,185.40
R-D Trucking			
	Sludge hauling	B-26 · Sludge Disposal	-2,628.00
Roxbury Twp. Water Dept.			
	Acct # 8250-0 & 8318-0	B-31 · External Services	-134.94
Schilling, James			
	Mileage and Dental expenses	B-2 · Administrative-OE	-319.97
	2019 State Disability reimbursement	B-11 · Disability Insurance	-58.48
			<u>-378.45</u>
SEM/BDS Stroudsburg Electric Motor			
	pump seals and bearings	B-19 · Maintenance/Repairs	-1,771.84

	Memo	Split	Amount
Solenis LLC	4 drums of Praestol K 144	B-18 · Supplies/Chemicals	-2,826.00
State Industrial Products	Plt Raider	B-18 · Supplies/Chemicals	-3,983.94
TD Bank, NA	NJEIT Series 2002 August 1 payment due	Debt Service	-405,639.87
Tractor Supply Company	Chains & Oil	B-19 · Maintenance/Repairs	-77.26
Tritec Office Equipment	Copier service contract 2/22-5/21	B-13 · Office	-73.32
USALCO	DelPAC 1525	B-18 · Supplies/Chemicals	-5,762.88
Verizon	May phone & internet service	B-15 · Telephone	-856.01
Verizon Communications		B-15 · Telephone	-132.63
Verizon Wireless	Wireless service 5/28-7/1 & equipment	B-15 · Telephone	-975.17
Wex Bank	gasoline	B-17 · Propane/Fuel Oil	-383.95
	TOTAL CHECKS		<u>-796,874.61</u>
 <u>Paid On-line</u>			
NJDEP	Stormwater & Surface Water discharge permit		-19,625.15
UNUM	3rd quarter payment		-1,464.35
VALIC	June 14 payroll		-500.00
NJSHBP	June payment		-11,346.78
Payroll	May 31, 2019		-30,462.02
Payroll	June 14, 2019		-30,853.10

The following **Correspondence** for the month of JUNE was received and filed on a motion offered by Mr. McNeilly, seconded by Mr. Bruno and the affirmative vote of members present.

- A. Application submitted by Borough of Mount Arlington to NJDEP for trails.
- B. Borough of Stanhope -- Ordinance 2019-10
- C. Borough of Stanhope – Ordinance 2019-11

Monthly Reports:

Mr. Schilling asked the commissioners if there were any questions regarding his monthly report.

Chairman Rattner asked about the status of the 2018 "DRAFT" Financial Audit.

Chairman Rattner requested the "List of Adjusting Journal Entries" made by the F.W.C.C.

Vice Chairman Sylvester asked how the employment search for the Administrative Assistant position was going.

The Director's Report, and Repairs and Maintenance Report, for the month of JUNE were accepted on a motion offered by Mr. McNeilly, seconded by Mr. Schindelar and the affirmative vote of members present.

Mr. Wancho asked the commissioners if they had any questions regarding his monthly report.

Air Permit comments were received by NJDEP but did not impact the dispersion model. PS&S is waiting for some clarification from NJDEP.

TWA for the Screenings Project and comments were responded to by PS&S.

NJ I Bank process is moving forward well.

- Commissioner Schwab asked about the paving on route 616. There was dialogue regarding the manholes, communications between agencies and responsibilities. There were discussions regarding scope of work, bid inclusions, contractor responsibilities and PS&S role in the review.
- Director was instructed to provide the proposal from the contractor dated March 28, 2019, letter sent from the MSA to Morris County and inspect the MSA manholes on the project route.

The Engineer's Report for the month of JUNE was accepted on a motion offered by Mr. Sylvester, seconded by Mr. Grogan and the affirmative vote of members present.

New Business:

The month of JUNE was approved on a motion offered by Mr. Pucilowski, seconded by Mr. Sylvester and the affirmative roll call vote of members present.

RESOLUTION# 19-40 AUTHORIZING THE ISSUANCE OF NOT EXCEEDING \$6,500,000 SUBORDINATE BONDS OF THE MUSCONETCONG SEWERAGE AUTHORITY FOR THE INFLUENT/EFFLUENT FACILITIES PROJECT AND PROVIDING FOR THEIR SALE TO THE NEW JERSEY INFRASTRUCTURE BANK AND THE STATE OF NEW JERSEY AND AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN AGREEMENTS IN CONNECTION THEREWITH.

Old Business:

Assignment of Contract SH-18 from Accurate Waste Systems to Russell Reid.
Agreement for Chairman Rattner to sign.

Site Access Service Provider Agreement – Received

Other Business:

Discussion regarding MSA issued emails to Commissioners.
There was discussion regarding the manner in which communication utilizing email occurs and or should occur. There has to be caution regarding quorums during multiple respondents.
Commissioner may utilize the MSA counsel for reviewing correspondence on behalf of the MSA.

Adjournment:

Motion made by Mr. Still, seconded by Mr. Grogan and the affirmative vote of members present, Chairman Rattner adjourned the meeting at 8:27 PM.

Respectfully Submitted:

A handwritten signature in black ink, appearing to read "J. Schilling".

James Schilling
Director