

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

MEMBERS ABSENT: James Benson, Thomas Bruno, Michael Grogan

OTHERS PRESENT: Patrick Dwyer Esq., James Wancho PE, Debbie Palma QPA, James Schilling MSA Director, Susan Grebe Administrative Assistant

Chairman Rattner opened and closed the meeting to the public.

The regular meeting minutes of October 25, 2018 were approved on a motion offered by Mr. Schwab, seconded by Mrs. Michetti. Roll Call:

Mr. Benson	Absent	Mr. Pucilowski	Yes
Mr. Bruno	Absent	Mr. Rattner	Yes
Mr. Cangiano	Yes	Mr. Schindelar	Yes
Mr. Grogan	Absent	Mr. Schwab	Yes
Mr. McNeilly	Yes	Mr. Still	Yes
Mrs. Michetti	Yes	Mr. Sylvester	Abstain

The Expenditures/Treasurer's Report of November 1, 2018 was accepted on a motion offered by Mr. Schindelar, seconded by Mr. McNeilly and the affirmative roll call vote of members present.

Treasurer's Report- November 1, 2018
Operating Account

Balance as of October 1, 2018: \$ 926,760.50

Receipts (October):		
	Hospitalization	2,218.70
	Municipal Revenue	<u>600,204.54</u>
	Total Receipts:	<u>602,423.24</u>

Disbursements (October):		
	NJSHBP	\$13,688.06
	Payroll 10/5/18	\$31,812.47
	Payroll 10/19/18	\$32,303.51
	Capital Improvement 4 th Quarter Transfer	\$25,000.00
	Renewal & Replacement 4 th Quarter Transfer	\$75,000.00
	Accurate Waste System	\$26,040.00
	ADP	\$540.06
	Scott Allen (mileage)	\$171.38
	Allied Oil	\$5,567.32
	Allmax Software	\$880.00
	American Wear	\$607.28
	Aqua Pro-Tech Labs	\$311.25
	Assoc. of Environmental Authorities	\$3,100.00
	Bally's Atlantic City	\$1,176.00
	Vincent Barbato (mileage & dental)	\$766.89
	Nicholas Barbato (dental)	\$501.00
	Blue Diamond Disposal	\$297.70
	Andrew Cangiano (AEA conference)	\$553.00
	Cintas First Aid	\$109.15
	Cleary Jacobbe	\$52.50
	Coburn Chemical	\$7,624.37
	Robert Colabella (dental)	\$75.00
	Constellation New Energy	\$25,968.68
	Daily Record	\$16.34
	E&G Exterminators	\$230.00
	Fisher Scientific	\$265.70
	Grainger	\$458.82
	Michael Grogan (AEA conference)	\$700.00

JCP&L	\$9,457.50
Corey Jozowski (dental)	\$208.00
Lowe's	\$155.44
Brian McNeilly (AEA conference)	\$700.00
Netcong Hardware	\$21.54
NJ American Water	\$769.08
NJ State League of Municipalities	\$275.00
NJWEA North Jersey	\$80.00
Nusbaum Stein	\$1,630.20
Office Concepts Group	\$690.98
One Call Concepts	\$56.25
Pan Metro Services	\$600.00
Parkhurst Distributing	\$3,816.40
Passaic Valley Sewerage Commission	\$30,926.00
PS&S	\$5,598.71
Michael Pucilowski (AEA conference)	\$406.00
R&J Control	\$540.50
James Schilling (miles and AEA conf)	\$829.44
Rich Schindelar (AEA conference)	\$700.00
Joseph Schwab (AEA conference)	\$406.00
Shell Fleet Plus	\$412.11
Treasurer, State of NJ	\$173.00
USALCO	\$17,299.31
Verizon	\$850.18
Verizon Communications	\$74.42
Verizon Wireless	\$225.18

Total Disbursements for October: \$ 332,936.40
Balance as of November 1, 2018: \$ 1,196,247.34

RENEWAL & REPLACEMENT ACCOUNT

Balance as of October 1, 2018: \$ 420,065.26
Receipts: Transfer from Operating 4th Quarter 75,000.00
Disbursements: G.P. Jager (grinder) 11,132.14
Pumping Service (4" pump) 6,229.15
Balance as of November 1, 2018: \$ 477,703.97

ESCROW ACCOUNT

Balance as of October 1, 2018: \$ 6,552.99
Receipts: 0.00
Disbursements: 0.00
Balance as of November 1, 2018: \$ 6,552.99

CAPITAL IMPROVEMENT/RESERVE FOR RETIREMENT ACCOUNT

Balance as of October 1, 2018: \$ 961,030.27
Receipts: Transfer from Operating 4th Quarter 25,000.00
Disbursements: GMH Associates (Contract #275) 3,960.61
Nusbaum Stein (NJIB appl. & headworks) 198.00
PS&S (Contracts #270, 295, 300 & NJIB appl.) 42,010.02
Suburban Consulting (GIS Project) 3,492.50
Balance as of November 1, 2018: \$ 936,369.14

ANALYSIS OF BALANCES:

Capital Improvement \$ 886,369.14
Reserve for Retirement \$ 50,000.00

EXPENDITURES REPORT – 2018 BUDGET
November 1, 2018

	2018	YEAR-TO-DATE	BALANCE	%
	BUDGET	EXPENDITURES		REMAINING
Admin - Salaries and Wages	\$165,000.00	\$138,824.00	\$26,176.00	15.86%
Trustee Admin Fees	\$20,000.00	\$15,030.00	\$4,970.00	24.85%
Administrative - Other Expenses	\$40,000.00	\$24,706.91	\$15,293.09	38.23%
Legal	\$30,000.00	\$16,205.60	\$13,794.40	45.98%
Audit	\$15,000.00	\$3,875.00	\$11,125.00	74.17%
Engineer	\$30,000.00	\$24,187.85	\$5,812.35	19.37%
Pension	\$100,000.00	\$1,363.00	\$98,637.00	98.64%
Social Security	\$65,500.00	\$52,745.39	\$12,754.61	19.47%
Unemployment	\$7,000.00	\$5,640.04	\$1,359.96	19.43%
Hospitalization	\$220,000.00	\$150,176.16	\$69,823.84	31.74%
Disability Insurance	\$10,000.00	\$6,473.32	\$3,526.68	35.27%
Operating - Salaries & Wages	\$684,500.00	\$541,793.99	\$142,706.01	20.85%
Reserve for Future Retirement	\$0.00	\$0.00	\$0.00	100.00%

Telephone	\$20,000.00	\$14,326.20	\$5,673.80	28.37%
Electric	\$482,500.00	\$278,238.77	\$204,261.23	42.33%
Propane/Fuel Oil/ Gasoline	\$29,000.00	\$19,172.87	\$9,827.13	33.89%
Supplies/Chemicals	\$170,000.00	\$187,952.39	-\$17,952.39	-10.56%
Laboratory Supplies	\$12,000.00	\$7,051.05	\$4,948.95	41.24%
Office	\$25,000.00	\$24,300.78	\$699.22	2.80%
External Services	\$70,000.00	\$53,647.92	\$16,352.08	23.36%
Education/Training	\$20,000.00	\$12,507.79	\$7,492.21	37.46%
Laboratory Fees	\$30,000.00	\$10,071.72	\$19,928.28	66.43%
Maintenance/Repairs	\$180,000.00	\$141,797.00	\$38,203.00	21.22%
Insurance	\$110,000.00	\$99,774.53	\$10,225.47	9.30%
NJDEP Fees	\$25,000.00	\$28,479.35	-\$3,479.35	-13.92%
Permit/Compliance Fees	\$5,000.00	\$39,097.46	-\$34,097.46	-681.95%
Equipment	\$60,000.00	\$56,514.72	\$3,485.28	5.81%
Sludge Removal	\$720,000.00	\$516,415.78	\$203,584.22	28.28%
Contingency	\$25,000.00	\$0.00	\$25,000.00	100.00%
Capital Improvement	\$100,000.00	\$100,000.00	\$0.00	0.00%
Renewal and Replacement	\$300,000.00	\$300,000.00	\$0.00	0.00%
TOTAL	\$3,770,500.00	\$2,870,369.39	\$900,130.61	23.87%

The pending vouchers for the month of November were approved for payment on a motion offered by Mr. McNeilly, seconded by Mr. Cangiano and the affirmative roll call vote of members present.

CAPITAL IMPROVEMENT ACCOUNT:

GMH Associates \$109,379.01
PS&S \$36,191.71

RENEWAL & REPLACEMENT ACCOUNT

GMH Associates (stilling well) \$14,500.00

OPERATING ACCOUNT:

Accurate Waste Services \$34,345.00
ADP \$411.67
Scott Allen (mileage & work boots reimb) \$207.41
American Wear \$607.28
AmeriGas Propane \$840.99
Aqua Pro-Tech Labs \$313.00
Blue Diamond Disposal \$297.70
Cintas First Aid \$86.05
Coburn Chemicals \$7,519.56
Constellation New Energy \$14,900.99
Daily Record \$124.18
Keith DeFazio (work boot reimb) \$149.95
Fisher Scientific \$777.60
Susan Grebe (petty cash & mileage) \$130.15
JCP&L \$11,250.23
Lackawana Computer Repair \$1,007.48
Lowe's \$129.22
MSA Payroll 11/2/18 \$31,734.88
MSA Payroll 11/16/18 \$31,875.92
NJSHBP \$13,688.06
Netcong Hardware \$39.05
Nusbaum Stein \$1,677.20
Office Concepts Group \$357.01
One Call \$63.75
PS&S \$1,735.18
R&J Control \$3,484.50
Reiner Pump Systems \$5,995.00
Shell Fleet \$271.52
Star Ledger \$198.50
State Chemical Solutions \$4,397.04
Tractor Supply \$317.46
United Federated Systems \$668.75
USALCO \$5,794.90
Verizon \$857.16
Verizon Communications \$75.10
Verizon Wireless \$225.20

The following correspondence for the month of November was received and filed on a motion offered by Mr. Sylvester, seconded by Mr. Pucifowski and the affirmative vote of members present.

- A. 11/5/18 NJUA JIF PERMA Risk Management Services – 2018 Dividend
- B. 11/2018 Local Finance Board – Change Orders & Open-End Contracts
- C. 11/19/18 Gregory Ploussas, PE – Sewerage Service Availability, 700 International Drive, Mount Olive

Mr. Schilling asked the commissioners if there were any questions regarding his monthly report. Chairman Rattner asked about the intern that will be assisting Mr. Schilling. Mr. Schilling noted that the intern is an environmental student at the University of Stroudsburg and is associated with the Musconetcong River Management Council. The intern will be starting on November 27th and will work one day a week for five hours a day.

The Director's Report for the month of November was accepted on a motion offered by Mr. Sylvester, seconded by Mrs. Michetti and the affirmative vote of members present.

The Repairs and Maintenance Report for the month of November was accepted on a motion offered by Mr. Schindelar, seconded by Mr. McNeilly and the affirmative vote of members present.

Mr. Wancho indicated that there were no updates to his monthly report and asked if the commissioners had any questions. The Engineer's Report for the month of November was accepted on a motion offered by Mr. Schindelar, seconded by Mr. McNeilly and the affirmative vote of members present.

Mr. Schwab explained that the 2019 Budget had not been completed. There have been delays due to the loss of Mr. Montanino and working with the new accountant, Mr. Cuva. He further explained about some of the issues with the preparation of the 2019 Budget and some new information from Mr. Cuva. It was suggested that Mr. Cuva could attend the MSA December 20th meeting. Mr. Schilling explained about the issue with the net appropriations and a variance between funds that the Authority requires for operations and maintenance, and the fees that the Authority charges the member municipalities. That gap has been classified as undesignated/unrestricted net position utilization. Mr. Schwab noted that it was also referred to as earnings credits in the past budgets. The Finance Committee will be meeting to discuss what exactly defines that variance, so that the 2019 Budget can be completed properly. Mr. Schwab indicated that the 2019 Budget increase will still remain the same. Mr. Schwab also discussed past percentage reductions in fees to the member towns considered credits, which should have been refunded by check and not discounted from their annual charges. Resolution #18-50 to introduce and approve the 2019 Budget was tabled until the December 20th meeting.

Mr. Wancho and Mrs. Palma left the meeting. Ms. Grebe was dismissed from the closed session.

Motion made by Mr. Schindelar, seconded by Mr. Cangiano and the affirmative roll call vote of members present for the commissioners to go into closed session at 7:52 PM:

WHEREAS, Section 8 of the Open Public Meetings Act (N.J.S.A. 10:4-12 (b) (1-9) permits the exclusion of the public from meeting in certain circumstances;

WHEREAS, the Commissioners of the Musconetcong Sewerage Authority are of the opinion that such circumstances exist.

NOW, THEREFORE, BE IT RESOLVED by the Commissioners of the Musconetcong Sewerage Authority as follows:

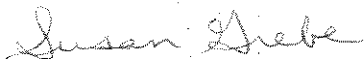
1. The public shall be excluded from discussion and action of the closed session of the Musconetcong Sewerage Authority;
2. The general nature of the subject matter to be discussed is as follows: Contract Negotiations

The above subject matter will be made public once negotiations are complete and it is deemed to be in the public interest.

Motion to reopen the meeting to the public at 7:59 PM was offered by Mr. McNeilly, seconded by Mr. Rattner and the affirmative vote of members present.

Motion made by Mrs. Michetti, seconded by Mr. Schwab and the affirmative vote of members present, Chairman Rattner adjourned the meeting at 8:01 PM.

Respectfully Submitted:



Susan Grebe,
Administrative Assistant