

BUDGET MEETING, NOVEMBER 26, 2019

The Preliminary Budget Meeting of the Gloucester Township Municipal Utilities Authority was held on Tuesday, November 26, 2019 at 5:30 P.M. at the Gloucester Township Municipal Utilities Authority Building, 401 W. Landing Road, Blackwood, New Jersey.

The following members were present: Mr. Calabrese, Mr. Pillo, Mr. Schmidt, Mrs. Bradley and Mr. Dintino.

Also present were: Mr. Christopher Long, Mr. Leisse, Mr. Applegate, Mr. Carr, Mr. Engelbert and Mrs. Hrynio.

Mr. Mercado was also present.

Mr. Garbowski and Mr. Brickley were excused.

Mr. Cardis had a prior work commitment.

The Chairman read the commencement statement noting that the meeting was advertised in the Courier Post and notice was placed on the bulletin board of the Township of Gloucester and the Gloucester Township Municipal Utilities Authority; the meeting was recorded.

Chairman Calabrese stated that no action would be taken at this meeting.

Chairman Calabrese stated that we would begin with reviewing the Proposed 2020-2021 Solid Waste Budget and Supporting Revenue. The meeting was turned over to Mr. Applegate.

Mr. Applegate stated that the Solid Waste Budget is down \$70. It is pretty much the same budget as last year. Healthcare actually dropped due to a change in the status of some of the employees – i.e., married to single. Also, the overall premium dropped at the State level. Those costs savings have been reallocated to other line items – one of the larger items is Equipment Other – showing an increase of about \$15,000 - \$20,000. Overall, the revenue needed to support this budget is going to be \$70 less to the Township than it was last year. We kept the tipping fees and compost sales the same. We have “maxed” out on that front. The only

way to generate more revenue is to adjust the rates charged, however, that may force customers to seek out another facility.

Chairman Calabrese asked Mr. Engelbert and the Board if they had any questions or comments. They did not.

Chairman Calabrese stated that we would move on to the 2020-2021 Sewer Budget and Supporting Revenue and referred the meeting over to Mr. Applegate.

Mr. Applegate stated that the Sewer Budget story is the same as Solid Waste. There is an increase of \$11. Everything is pretty much the same. We have five (5) NJEIT Loans. The cover sheet indicates the principal and interest payments associated with those loans. The 2001 Loan will be paid off in 2021 - \$150,000 worth of debt dropping off.

There is the same situation with the Healthcare costs decreasing due to employees' status changes and premium decrease. One of the bigger line items that was added is \$50,000 for the newly acquired property, 351 Landing Road, and any costs associated with that. Besides that, most of the line items fluctuate by minor amounts.

With regard to the operating revenue to support this budget – we decreased the connection fee revenue from \$200,000 to \$100,00. This is a line account that is very volatile. We looked at the 2019 audit results and what was realized so far for 2020 and it is down, which is to be expected. Gloucester Township is reaching "build-out". We had a couple of "bumps" in the past with the Premium Outlets, etc. So, we took the opportunity to decrease that amount to reduce our reliance on this revenue. The service fees increased by \$100,000. The current rate structure we have in place will support this budget.

Chairman Calabrese asked if anyone had any questions or comments.

Chairman Calabrese asked if Mr. Carr or Mrs. Hrynio had anything to add. They did not.

PUBLIC PORTION

There was no one present.

Chairman asked for motion for adjournment.

On motion of Mr. Pillo, second by Mrs. Bradley, the meeting adjourned.

All signified their approval by stating aye.



Marlene Hrynio, Recording Secretary

APPROVED DECEMBER 19, 2019 REGULAR MEETING