

## BUDGET MEETING, NOVEMBER 27, 2018

The Preliminary Budget Meeting of the Gloucester Township Municipal Utilities Authority was held on Tuesday, November 27, 2018 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 and Mr. Garbowski.

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

Mr. Mercado and Mr. Cardis were also present.

Mr. Bianchini and Mrs. Bradley were absent.

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 2019-2020 Solid Waste Budget and Supporting Revenue. The meeting was turned over to Mr. Applegate.

Mr. Applegate stated that the Solid Waste Budget is pretty much the same as it has been over the last several years. The overall Budget increased by 1.4%. Operating costs are up 1.6% - the difference being Debt Service. Some of the major increases are:

*Salaries & Wages – Up 2 ½%*  
*No Increase/Decrease in Fringe Benefits*  
*Operating Expenses – Up 1.8%*

The Township Contribution is going up \$28,395 or 1.6%. Mr. Applegate did a quick calculation today and the Solid Waste Budget has

only gone up 5.66% over the last five years – a little over 1%/year. Controlling the expenses on the Solid Waste side has been very beneficial for the Township.

Chairman Calabrese asked if Mr. Cardis had any comments. Mr. Cardis stated that he will review the budget with Mayor Mayer. At the next meeting, he will be able to give any input or requested changes from the Township. The Budget seems reasonable.

Chairman Calabrese asked if anyone had any questions or comments.

Mr. Cardis was excused.

Chairman Calabrese stated that we would move on to the 2019-2020 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. We will remove the 1993 Debt Service Line because that Debt has been paid.

The Infrastructure Loans stay the same year after year. That is how it is structured at the NJEIT. Debt Service will remain constant until the 2001 Debt drops off in 2021. They all are 20 year loans.

The overall Budget increased 1.9%. The Operating Budget increased 2.2% or \$91,775. The major increases to operations are:

*Salaries & Wages – Increased 6.9%*

*Fringe Benefits – Decreased due to less participants in the Health Care Plan than there were in the past years and the amount the employees contribute is up by \$20,000, which offsets the increase in Salaries & Wages.*

*Operating Expenses – Increased by 2.2% or \$32,000. The major increases are:*

*Bank Fees – up \$7,500*

*Worker's Comp – up \$10,000*

*Hydrogen Sulfide – up \$10,000*

Overall, the budget is pretty much the same as last year. The current rate structure that we have in place will easily support this budget and probably a few budgets going forward. We are in a good financial position.

Chairman Calabrese asked if anyone had any questions or comments.

Mr. Long asked if we have seen an increase in Interest on Investments. Mr. Applegate stated, yes. We budget the same amount year after year, but overall the interest has gone up significantly over the last two years for two reasons – we have more funds to invest and the interest rates are going up. Mr. Long stated that is something we have not seen in a long time. Mr. Long asked if we follow the State Cash Management Plan in terms of where we put our investments? Mr. Applegate stated that most of our funds are handled by our Trustee at TD Bank. They deposit those funds into short term governmental securities and their own governmental money market funds.

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

Chairman Calabrese asked if the Board had any questions or comments. There were none.


#### **PUBLIC PORTION**

There was no one present.

Chairman asked for motion for adjournment.

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

All signified their approval by stating aye.

  
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Marlene Hrynio, Recording Secretary

**APPROVED DECEMBER 20, 2018 REGULAR MEETING**