

**MOUNT HOLLY MUNICIPAL UTILITIES AUTHORITY
SPECIAL MEETING
OCTOBER 25, 2011**

A Special Meeting of the Mount Holly Municipal Utilities Authority was held at 37 Washington Street on Tuesday, October 25, 2011 at 4pm. Chairman Edwards called the meeting to order with the following roll call:

PRESENT: Mr. John R. Edwards, Chairman
Mr. Robert Silcox, Vice Chairman
Ms. Jacquelyn Perinchief, Commissioner
Mr. Jason Carty, Commissioner

ABSENT: Mr. Jules Thiessen, Commissioner

ALSO William G. Dunn, Executive Director
PRESENT: Tracey N. Giordano, Deputy Director of Accounting and Finance
Joel Hervey, Deputy Director for Plant Operations
Anthony Stagliano, Deputy Director of Regulatory Affairs
Mr. Brooke Tidswell, Treasurer

VERIFICATION OF NOTICE

Executive Director Dunn verified that "In compliance with the Open Public Meetings Act, this is to announce that adequate notice of this meeting was provided in the following manner: Notice of this meeting was published in the Burlington County Times on October 21, 2011, and the Courier-Post on October 19, 2011. On Friday, October 21, 2011 advanced written notice of this meeting was posted on the Administrative Bulletin Board at the Township Building and advanced written notice of this meeting was mailed to all persons who, according to the records of the Authority, requested such notice."

MANDATORY AFFIRMATIVE ACTION COMPLIANCE NOTICE

Any contracts awarded today, and between now and the next meeting, the contractor, company or firm must comply with the requirements of N.J.S.A. 10:5-31 et seq. (P.L. 1975, C.127) N.J.A.C. 17:27.

PLEDGE OF ALLIEGIENCE TO THE FLAG

2012 BUDGET

Chairman Edwards Requested Deputy Director of Finance and Administration, Giordano, give a brief summary of the proposed 2012 budget.

Deputy Director of Finance and Administration, Giordano, stated the overall budget amount for 2011 was \$13,024,903.00. The projected budget for 2012 is \$12, 910,000.00, which is a decrease of \$114,903.00. Ms. Giordano explained the decrease is mostly attributable to a decrease in revenue. She reported there are approximately one hundred homes in the Hainesport project that still need to connect which would be probable revenue for 2012. The outside waste projection is based on flow and estimated contracts, and the other miscellaneous interest is lower since we no longer have any construction funds to invest.

Deputy Director of Finance and Administration discussed the expenditures of the budget which are the largest. She stated 30% of the budget is payroll. Ms. Giordano reported that one employee is intending to retire in 2012. In anticipation of this retirement there would be one base line new hire to fill a slot as the Authority promotes an employee from within to replace the retiree. Ms. Giordano stated salaries were calculated based on the union contract. The pension amount is \$371,000, which is 3% of the budget. Business insurance is under a 2% increase, while health insurance would be approximately 6% higher as indicated by a proposal received from Aetna through the HIF. Employees contributions for healthcare have risen, which in turn decreases the amount the Authority must contribute. In 2012 Treasurer Tidwell will be dropping off the Authorities insurance accounting for a decrease in the Authorities expenditures as well.

Treasurer Tidwell discussed the surplus projected for 2011, versus the reality of 2012, in regards to the fact that the Authority hasn't made it up.

Deputy Director of Finance and Administration stated the Renewal and Replacement Fund is pretty light as the Authority is trying to keep the budget as tight as possible. She explained that moving forward, connection fees will be dropping off as there is no impending infrastructure, such as housing developments. Also, the Authority has not had a rate increase since 2007. As a result, when constructing the budget, the Authority is working with what they have. They have not been able to put more money into the Renewal and Replacement Fund as a result of the new facility going on line this year. Some of the expenses, such as rental equipment, for 2011 were very high. It is anticipated that these costs will decrease; however, it will take 6-8 months of Maple Avenue being on line to get a better idea.

Commissioner Carty asked what the Administrative Trustee Expenses on the budget are. Deputy Director of Finance and Administration, Giordano, explained those are annual fees the Authority pays per the bond resolution for TD Bank to be our trustee. The fee is determined based on the amount of debt the Authority has.

Chairman Edwards asked if the connections due in Hainesport referenced earlier are left over from when the sewer pipes were run through Hainesport. Deputy Director of Finance and Administration, Giordano, confirmed they are the balance. She reported the Authority is in the eighth year since the pipe was installed and these residents have been put on notice. Currently the Authority is allowing homeowners to make installment payments until the end of 2011. Executive Director Dunn is working with Hainesport Township to devise a plan for those that don't hook up before the end of the year. Chairman Edwards recalled the Authority has a formal agreement with the town regarding these hookups. Executive Director Dunn advised the Board that Special Counsel Kondracki is involved with the discussions regarding these hook ups. Chairman Edwards stated if we are going to collect monies to make the budget balance this year, the Authority needs to be fairly aggressive. Executive Director Dunn stated he has a plan that will commence as of January, 2012.

Commissioner Carty asked if the budget figure in regards to the collection system is due to the retirement previously discussed. Deputy Director of Finance and Administration responded that yes it is.

RESOLUTION 2011-98

A RESOLUTION OF THE MT. HOLLY MUNICIPAL UTILITIES AUTHORIZING THE 2012 BUDGET

Commissioner Silcox moved for the approval of Resolution 2011-98. Commissioner Perinchief seconded the motion. At the call of the roll, the vote was:

AYES: Commissioner Perinchief, Commissioner Silcox, Chairman Edwards

NAYES: Commissioner Carty

ADJOURNMENT

Commissioner Silcox moved for adjournment. Commissioner Perinchief seconded the motion. Motion carried. Chairman Edwards adjourned the meeting at 4:14pm.

Respectfully submitted,

Tracey N. Giordano
Pro Tem Secretary