

WARREN COUNTY (PEQUEST RIVER)  
MUNICIPAL UTILITIES AUTHORITY

**PUBLIC BUDGET & RATE HEARING FY2017**  
**DECEMBER 21, 2016**

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TIME: 7:30 P.M.

PLACE: The meeting was held at the Authority's Administration building located at 199 Foul Rift Road, Belvidere, New Jersey.

PURPOSE: For the purpose of prescribing a schedule of service charges for sewer treatment to the Town of Belvidere, Township of White, Township of Oxford, County of Warren and all other users of the Warren County (Pequest River) Municipal Utilities Authority.

AUTHORITY MEMBERS ATTENDING:

Morris Scott, Jr., Vice Chairman  
Robert Piazza, Treasurer  
Laurel Napolitani, Secretary  
Drew Kiszonak  
Donald Niece  
Everdina O'Connor  
Philip Rosenberg

ALSO ATTENDING:

Billy J. Wauhop	Authority Consultant
Dan Olshefski	Authority Chief Financial Officer
Kim Francisco	Authority Fiscal Officer
Brian Tipton, Esq.	Authority Legal Counsel
Stephen Donati, P.E.	Authority Engineer and Consultant
Patricia Kaspereen	Administrative Assistant
Jackie Klapp	CSR

Vice Chairman Scott led everyone in the Pledge of Allegiance and then read the Introductory Statement: This annual budget and rate hearing has been properly noticed in accordance with New Jersey State Statutes.

Vice Chairman Scott stated that everyone worked hard and did a great job in preparing the budget. He asked Mr. Olshefski to present the budget and rates for FY2017.

Mr. Olshefski said the State gave its approval for the MUA to adopt the FY2017 Budget as introduced in October. The 2017 budget is slightly less than the 2016 budget. The proposed

2017 budget is \$2,871,699. With the anticipation of approval at the meeting later in the evening, the user rates can be established for 2017. He gave a brief overview of how the billing rates are established. The billing rates for 2017 are based on the most recent three years of flow data. The total billing units in the system dropped by 2%, so the user rate will increase by 2%. The proposed residential user rate for 2017 is \$11.35 per billing unit, compared to \$11.12 in 2016. The proposed industrial user rate for 2017 is \$22.70 per 1,000 gallons, compared to \$22.24 in 2016. The eleven percent I&I factor remains in the calculation. The actual billing for charges to the users will be similar to 2016. Some will be slightly less, some slightly higher. It is all based on their data. In comparison to 2015, nearly all except one user are slightly less, which is good news.

The Connection Fee for 2017 will remain the same as in 2016 at \$6,642.00 per EDU, even though it could have been \$8,638 using the State formula.

Vice Chairman Scott thanked Mr. Olshefski and asked if there were any comments from the commissioners.

Mr. Piazza, Chairman of the Finance Committee, reviewed the FY2017 Budget with the rest of the committee a couple of months ago during its preparation. The committee was satisfied with what was presented.

Mr. Kiszonak asked Mr. Olshefski to refresh his memory on what is happening with the Rate Stabilization Fund.

Mr. Olshefski said that in 2016, \$400,000 was used out of the rate stabilization fund to offset the budget. In 2017, that amount will be reduced slightly to \$382,000. We now have about \$7,000,000 in our fund balance. The long range plan is to utilize some of that over the next few years, decreasing it slightly, in an attempt to keep the user rate modestly level and then when our debt service drops off in 2023, the rate stabilization fund will not be needed, and we will still have a modest amount left in our fund balance.

There was no public present.

As there was no further discussion, Ms. Napolitani moved and Ms. O'Connor seconded that the Public Rate Hearing be adjourned at 7:37 p.m. All in favor, motion carried.

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Patricia Kaspereen  
Administrative Assistant