

THE SOUTHEAST MORRIS COUNTY MUNICIPAL UTILITIES AUTHORITY

MEETING MINUTES

JUNE 22, 2017

The Regular Meeting of The Southeast Morris County Municipal Utilities Authority (the "Authority") was held on Thursday, June 22, 2017, at 7:00 PM prevailing time in the Board Room at the offices of the Authority at 19 Saddle Road, Cedar Knolls, New Jersey.

The Chairman called the meeting to order at 7:00 PM and read the attached statement of Public Notice (Sunshine Law) and caused same to be entered into the minutes of the meeting.

ROLL CALL

PRESENT: Chairman Kissil; Members Baldassari, Iannaccone, Johnson, Rotando and Schimpf

ABSENT: Members Conradi and Dougherty

Also present at the meeting were the following Authority staff: Laura Cummings, Executive Director/Chief Engineer; Charles Maggio, Manager of Finance; Paul Kozakiewicz, Superintendent; Nicholas Buono, Information Technology Manager; Alexis Bozza, Administrative Assistant; and General Counsel to the Authority, Sidney D. Weiss, Esq.

MOTION APPROVING MINUTES OF MAY 18, 2017

Copies of the minutes of the meeting held on May 18, 2017, were distributed to the members prior to the meeting for review and comment. Member Rotando moved that the minutes be adopted. Member Baldassari seconded the motion which was duly adopted by the following vote:

YEAS: Chairman Kissil; Members Baldassari, Iannaccone and Rotando

NOES: None

ABSTAINS: Members Johnson and Schimpf

RESOLUTION APPROVING CLOSED SESSION MINUTES OF MAY 18, 2017

Copies of the closed session minutes of the meeting held on May 18, 2017, were distributed to the members prior to the meeting for review and comment. Member Baldassari moved to approve the closed session minutes and offered the following resolution:

RESOLUTION NO. 58-17

RESOLUTION APPROVING CLOSED SESSION MINUTES OF MAY 18, 2017

"COPY ANNEXED"

Member Iannaccone seconded the motion which was duly adopted by the following vote:

YEAS: Chairman Kissil; Members Baldassari, Iannaccone and Rotando

NOES: None

ABSTAINS: Members Johnson and Schimpf

RESOLUTION – APPROVAL OF JUNE 2017 LIST OF BILLS

Copies of the bill list for June 2017 were distributed to the members prior to the meeting for comment and approval. Member Johnson moved to approve the list of bills and offered the following resolution:

RESOLUTION NO. 59-17

RESOLUTION AUTHORIZING PAYMENT OF LIST OF BILLS FOR MAY 2017

"COPY ANNEXED"

Member Rotando seconded the motion which was duly adopted by the following vote:

YEAS: Chairman Kissil; Members Baldassari, Iannaccone, Johnson, Rotando and Schimpf

NOES: None

COMMUNICATIONS

1. Copy of presentation made at the Whippany River Watershed Action Committee Dinner honoring Sal Iannaccone and Art Vespignani.
2. Copy of Daily Record advertisement in recognition of National Military Appreciation Month.

OTHER BUSINESS

A. Resolution Authorizing the Transfer of Funds between 2017 Budget Appropriations

The Board reviewed a memorandum from the Manager of Finance dated June 20, 2017, where he advised that there exists certain funds in the 2017 budget line items which will be remaining at year end and that there are certain budget line items in the 2017 budget that require additional funding prior to the year end. Per suggestion by the Authority's Auditors that it authorize and obtain Board approval for budget transfers among its internal appropriation line items to cover actual expenditures, the Manager of Finance requested that such balances, totaling \$44,200.00, be transferred from the various budget line items with balances to those requiring additional funds to balance. Member Rotando offered the following resolution:

RESOLUTION NO. 60-17

RESOLUTION AUTHORIZING THE TRANSFER OF FUNDS BETWEEN 2017 BUDGET APPROPRIATIONS

"COPY ANNEXED"

Member Iannaccone seconded the motion which was duly adopted by the following vote:

YEAS: Chairman Kissil; Members Baldassari, Iannaccone, Johnson, Rotando and Schimpf

NOES: None

B. Resolution Awarding Contract for Consulting Services for Finance Function Effectiveness and Efficiency

The Board reviewed a memorandum from the Manager of Finance dated June 20, 2017 where the Authority has a need for non-exclusive consulting accounting services related to finance function effectiveness and efficiency. Phoenix Consulting Group ("Phoenix") submitted a proposal dated May 31, 2017 for the providing of such services. The Manager of Finance recommended a contract be awarded to Phoenix for Task 2 of the proposal at an estimated maximum amount of \$13,340. The contract is being awarded without public bidding as it is beneath the bidding threshold of the Local Public Contracts Law (N.J.S.A. 40A:11-1 et seq.). Funds are available and have been certified by the Treasurer of the Authority. Member Rotando offered the following resolution:

RESOLUTION NO. 62-17

RESOLUTION AWARDING CONTRACT FOR CONSULTING SERVICES FOR FINANCE FUNCTION EFFECTIVENESS AND EFFICIENCY

"COPY ANNEXED"

Member Baldassari seconded the motion which was duly adopted by the following vote:

YEAS: Chairman Kissil; Members Baldassari, Iannaccone, Johnson, Rotando and Schimpf

NOES: None

C. Resolution Authorizing the Sale of Surplus Property through Gov Deals

The Board reviewed a memorandum from the Superintendent dated May 26, 2017 recommending that certain surplus property owned by the Authority which is no longer needed for public use be sold through GovDeals as authorized under State Contract A70967/T2581 to perform said services on behalf of the Authority. Member Rotando offered the following resolution:

RESOLUTION NO. 63-17

RESOLUTION AUTHORIZING THE SALE OF SURPLUS PROPERTY THROUGH GOV DEALS

"COPY ANNEXED"

Member Baldassari seconded the motion which was duly adopted by the following vote:

YEAS: Chairman Kissil; Members Baldassari, Iannaccone, Johnson, Rotando and Schimpf

NOES: None

D. Resolution Authorizing Contract Renewal for Dental Insurance Coverage

The Board reviewed a memorandum from the Manager of Finance dated June 20, 2017 regarding the renewal of the Authority's dental insurance contract. Horizon Dental Insurance ("Horizon") is currently the Authority's provider of dental insurance for full-time employees. The current contract with Horizon expires on July 31, 2017. Horizon has agreed to provide a one-year contract renewal with a total increase for the plan of \$364.68 above the current contract amount. The one-year contract renewal would be effective August 1, 2017 through July 31, 2018. The Manager of Finance recommended award of the one-year contract renewal with Horizon.

Mr. Weiss stated that the Treasurer has certified that there are sufficient funds available in the 2017 Budget for the portion to be expended in 2017; portions to be expended in 2018 are subject to funds being available in the 2018 Budget. Member Baldassari offered the following resolution:

RESOLUTION NO. 64-17

RESOLUTION AUTHORIZING CONTRACT RENEWAL FOR DENTAL INSURANCE COVERAGE

"COPY ANNEXED"

Member Johnson seconded the motion which was duly adopted by the following vote:

YEAS: Chairman Kissil; Members Baldassari, Iannaccone, Johnson, Rotando and Schimpf

NOES: None

E. Resolution Authorizing Closed Session Discussion

Mr. Weiss stated that the following Agenda item may be held in closed session pursuant to subsection 8 of Section 12b of the Open Public Meetings Act (N.J.S.A. 10:4-6 et seq.):

1. Compensation of management/staff employees

Member Rotando moved the following resolution:

RESOLUTION NO. 65-17

RESOLUTION AUTHORIZING CLOSED SESSION DISCUSSIONS

"COPY ANNEXED"

Member Baldassari seconded the motion which was duly adopted by the following vote:

YEAS: Chairman Kissil; Members Baldassari, Iannaccone, Johnson, Rotando and Schimpf

NOES: None

[CLOSED SESSION MEETING FOLLOWED]

[RESUMPTION OF PUBLIC MEETING]

F. Resolution Approving Salary Compensation for Management Personnel for 2016 and 2017

Following discussions held in Closed Session, the Board reviewed a draft resolution authorizing salary increases for specific management employees for 2016 and 2017. The Board reviewed

the salary increases as outlined in the proposed resolution. The effective date of the increases is retroactive to January 1, 2016. Member Baldassari offered the following resolution:

RESOLUTION NO. 66-17

RESOLUTION APPROVING SALARY COMPENSATION FOR MANAGEMENT PERSONNEL FOR 2016
AND 2017

“COPY ANNEXED”

Member Johnson seconded the motion which was duly adopted by the following vote:

YEAS: Chairman Kissil; Members Baldassari, Iannaccone, Johnson, Rotando and Schimpf
NOES: None

REPORTS

Copies of the following reports were distributed to the Members for review and comment and a discussion ensued as to each item:

- A. Executive Director/Chief Engineer – May 2017
- B. Superintendent – May 2017
- C. Information Technology – May 2017
- D. Finance – May 2017

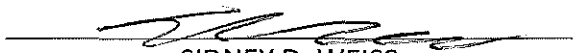
PUBLIC DISCUSSION

Chairman Kissil stated the next portion of the meeting was set aside for public discussion. No one from the public was present. The Chairman then closed the public portion of the meeting.

ADJOURNMENT

There being no further business, Member Iannaccone moved that the meeting be adjourned. Member Rotando seconded the motion. The meeting adjourned at 8:17 PM.

THE SOUTHEAST MORRIS COUNTY
MUNICIPAL UTILITIES AUTHORITY

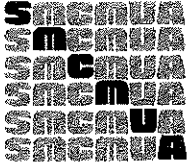

SIDNEY D. WEISS
Assistant Secretary

SUNSHINE LAW STATEMENT

Adequate notice of this meeting has been provided in accordance with the provisions of the “Open Public Meetings Act”, in the following manner:

1. By posting a copy of the Annual Notice of the Authority’s regular meetings (upon which this meeting is listed) on the Bulletin Board at the Authority’s offices at 19 Saddle Road, Cedar Knolls, New Jersey, and by delivering copies of such notice for posting at similar public places in the municipal buildings of the Town of Morristown, the Townships of Hanover and Morris and the Borough of Morris Plains on February 2, 2017.

2. By delivering to, for filing, copies of the Annual Notice with the Daily Record, the Newark Star Ledger, the Morris News Bee, the clerks of the Townships of Chatham, Harding, Mendham, Randolph and Parsippany-Troy Hills, the Borough of Florham Park and the County of Morris on February 2, 2017.



Southeast Morris County Municipal Utilities Authority

19 SADDLE ROAD • CEDAR KNOLLS, NEW JERSEY 07927 • TEL 973-326-6880 • FAX 973-326-9521

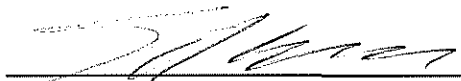
Resolution No. 58-17

RESOLUTION APPROVING CLOSED SESSION MINUTES

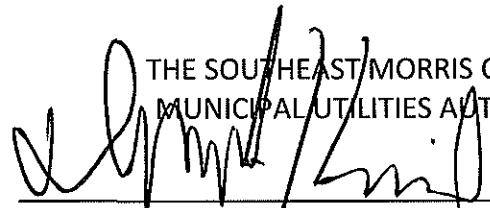
RESOLVED that the attached minutes of the Closed Session Meeting held on May 18, 2017, be and the same are hereby approved but withheld from public inspection and insertion in the regular Minute Book pending release for public disclosure pursuant to the provisions of the Open Public Meetings Act; and

BE IT FURTHER RESOLVED that the minutes be inserted in the Closed Session Minute Book of the Authority pending such disclosure.

ATTEST:



SIDNEY D. WEISS, Assistant Secretary



DONALD KISSIL, Chairman

Dated: June 22, 2017

Board Members

Morristown:
Mary Dougherty
Donald Kissil

Morris Township:
Dennis Baldassari
Alan Johnson

Morris Plains:
William Conradi
Ralph R. Rotando

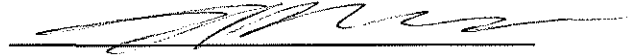
Hanover Township:
Saverio C. Iannaccone
Adolf Schimpf

Executive Director/Chief Engineer: Laura Cummings, P.E.

Superintendent: Paul A. Kozakiewicz

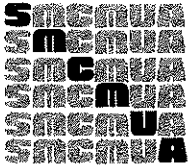
CERTIFICATION

I hereby certify the foregoing to be a true copy of the resolution adopted by The Southeast Morris County Municipal Utilities Authority on Thursday, June 22, 2017, at a meeting duly convened of said Authority.



SIDNEY D. WEISS, Assistant Secretary

Dated: June 22, 2017



Southeast Morris County Municipal Utilities Authority

19 SADDLE ROAD • CEDAR KNOLLS, NEW JERSEY 07927 • TEL 973-326-6880 • FAX 973-326-9521

Resolution No. 59-17

RESOLUTION AUTHORIZING PAYMENT OF JUNE 2017 LIST OF BILLS

BE IT RESOLVED that authorization is hereby granted to make payment of the following list of bills:

OPERATING FUND


Total Salary and Wages \$ 341,155.60

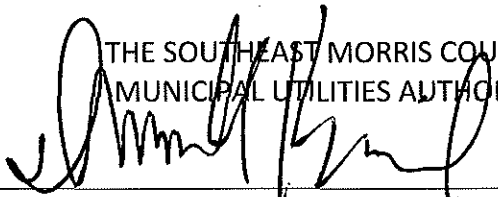
Total Operating Fund Checks and Wire Transfers \$ 447,099.72

GENERAL FUND/SPECIAL ACCOUNT \$ 115,382.86

TOTAL OF MAY 2017 LIST OF BILLS \$ 903,638.18

ATTEST:


SIDNEY D. WEISS, Assistant Secretary


THE SOUTHEAST MORRIS COUNTY
MUNICIPAL UTILITIES AUTHORITY
DONALD KISSIL, Chairman

Dated: June 22, 2017

Board Members

Morristown:
Mary Dougherty
Donald Kissil

Morris Township:
Dennis Baldassari
Alan Johnson

Morris Plains:
William Conradi
Ralph Rotando

Hanover Township:
Saverio C. Iannaccone
Adolf Schimpf

Executive Director/Chief Engineer: Laura Cummings, P.E.

Superintendent: Paul A. Kozakiewicz

TREASURER'S CERTIFICATION

I hereby certify that there are sufficient funds available (\$903,638.18) for payment of the resolution entitled Resolution Authorizing Payment of June 2017 List of Bills in the Authority's 2017 Operating Budget.

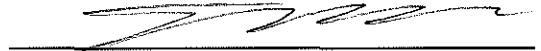


CHARLES MAGGIO, Treasurer

Dated: June 22, 2017

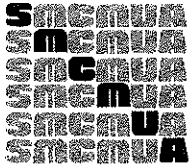
CERTIFICATION

I hereby certify the foregoing to be a true copy of the resolution adopted by The Southeast Morris County Municipal Utilities Authority on Thursday, June 22, 2017, at a meeting duly convened of said Authority.



SIDNEY D. WEISS, Assistant Secretary

Dated: June 22, 2017



Southeast Morris County Municipal Utilities Authority

19 SADDLE ROAD • CEDAR KNOLLS, NEW JERSEY 07927 • TEL 973-326-6880 • FAX 973-326-9521

Resolution No. 60-17

RESOLUTION AUTHORIZING THE TRANSFER OF FUNDS BETWEEN 2017 BUDGET APPROPRIATIONS

WHEREAS, the Authority's Manager of Finance/Treasurer has advised that there are certain budget line items in the 2017 budget that require additional funding; and

WHEREAS, the Manager of Finance/Treasurer has requested that such balances be transferred from the various budget line items with balances to those requiring additional fund to balance; and

WHEREAS, it appears that such transfer is in the best interest of the Authority and the Water System;

NOW THEREFORE, BE IT RESOLVED by The Southeast Morris County Municipal Utilities Authority that the following transfer within the 2017 Operating Budget totaling \$44,200 is hereby approved:

Budget Transfers for 2017 Budget

<u>Budget Line Item</u>	<u>Title</u>	<u>Amount</u>
Transfer To:		
02-10-400-607	ADMIN: Consultant-Personnel	\$5,000.00
02-30-400-613	FINAN: Consultant Svc-Audit	\$20,200.00
02-30-400-502	FINAN: Overtime	\$15,000.00
02-30-400-800	FINAN: Temporary Staff	\$4,000.00
	Total	<u>\$44,200.00</u>
Transfer From:		
02-30-400-501	FINAN: Salary & Wages	\$25,700.00
02-20-400-608	STATUT: Medical Insurance-Active	\$18,500.00
	Total	<u>\$44,200.00</u>

Board Members

Morristown:
Mary Dougherty
Donald Kissil

Morris Township:
Dennis Baldassari
Alan Johnson

Morris Plains:
William Conradi
Ralph R. Rotando

Hanover Township:
Saverio C. Iannaccone
Adolf Schimpf

Executive Director/Chief Engineer: Laura Cummings, P.E.

Superintendent: Paul A. Kozakiewicz

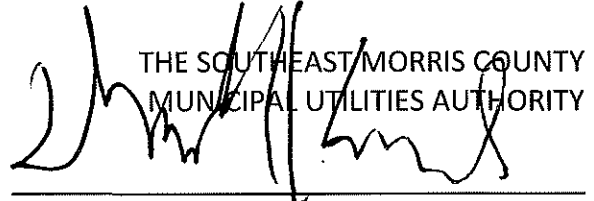
AND BE IT FURTHER RESOLVED that the Manager of Finance/Treasurer be and is hereby authorized and directed to take whatever actions are necessary or convenient to effectuate the provisions of this Resolution and the transfers hereby approved.

ATTEST:



SIDNEY D. WEISS, Assistant Secretary

THE SOUTHEAST MORRIS COUNTY
MUNICIPAL UTILITIES AUTHORITY

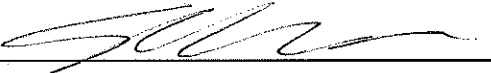


DONALD KISSIL, Chairman

DATED: March 30, 2017

CERTIFICATION

I hereby certify the foregoing to be a true copy of the resolution adopted by The Southeast Morris County Municipal Utilities Authority on Thursday, June 22, 2017, at a meeting duly convened of said Authority.


SIDNEY D. WEISS, Assistant Secretary

Dated: June 22, 2017



Southeast Morris County Municipal Utilities Authority

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Resolution No. 62-17

RESOLUTION AUTHORIZING EXECUTION OF A CONTRACT FOR NON-EXCLUSIVE CONSULTING ACCOUNTING SERVICES RELATED TO FINANCE FUNCTION EFFECTIVENESS AND EFFICIENCY

WHEREAS, the Authority has a need for non-exclusive consulting accounting services related to finance function effectiveness and efficiency; and

WHEREAS, Phoenix Consulting Group has submitted a proposal dated May 31, 2017 for the providing of such services, a copy of which is annexed hereto as Exhibit "A"; and

WHEREAS, the Contract is being awarded for Task 2 of the proposal at an estimated maximum amount of \$13,340; and

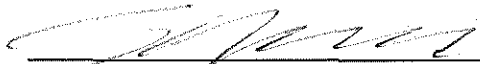
WHEREAS, this Contract is being awarded without public bidding as it is beneath the bidding threshold of the Local Public Contracts Law (N.J.S.A. 40A:11-1 et seq.); and

WHEREAS, funds are available and have been certified by the Treasurer of the Authority; and

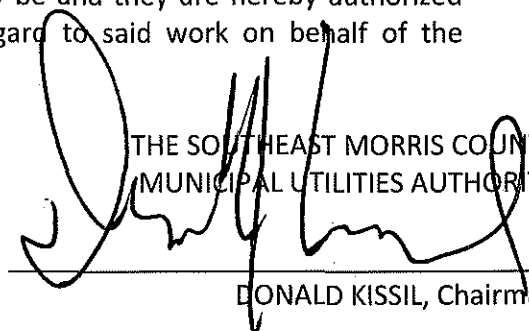
NOW THEREFORE, BE IT RESOLVED by The Southeast Morris County Municipal Utilities Authority as follows:

1. That Task 2 of the proposal of Phoenix Consulting Group dated May 31, 2017; a copy of which is annexed hereto as Exhibit "A" be and the same is hereby accepted and approved at an estimated maximum amount of \$13,340.
2. That the appropriate officers of the Authority be and they are hereby authorized and directed to execute a contract with regard to said work on behalf of the Authority in the manner provided by law.

ATTEST:



 SIDNEY D. WEISS, Assistant Secretary



 DONALD KISSIL, Chairman

DATED: June 22, 2017

Board Members

Morristown:
 Mary Dougherty
 Donald Kissil

Morris Township:
 Dennis Baldassari
 Edward A. Taratko, Jr.

Morris Plains:
 William Conradi
 Ralph R. Rotando

Hanover Township:
 Saverio C. Iannaccone
 Adolf Schimpf

Executive Director/Chief Engineer: Laura Cummings, P.E.

Superintendent: Paul A. Kozakiewicz



PHOENIX

CONSULTING GROUP

May 31, 2017

Ms. Laura Cummings, P.E.
Southeast Morris County Municipal Utility Authority
19 Saddle Road
Cedar Knolls, New Jersey 07927

Dear Ms. Cummings,

We are pleased to offer the Southeast Morris County Municipal Utility Authority our services to do the assessment of the finance office and then mentoring of your Finance Officer.

We also offer the following services:

- Budget Model
- Budget Consulting Services
- Long Term Planning
- Capital Planning
- Interim Tax Collectors
- Executive Search Services for CMFO, CCFO & Tax Collector
- Shared Service Cost Model

We strongly believe in a partnership with the clients we serve, and attempt to fully incorporate your input and considerations in all of our actions.

We are extremely proud of the fact that our team of professionals are current in their fields at the highest levels. Our approach is completing an initial assessment of where the finance office currently is and to be.

We will review some of the following:

- Fund Balance strategies;
- Recent past history of audit comments;
- Temporary budgets;
- Ability to identify savings for the authority through bond reissuance or refinancing; and
- Providing past financial analysis, plans to amend and outcomes.

I. Personnel

We would recommend that Joseph A. Kovalcik, Jr. (See Exhibit B for Joe's resume) be the point person. He will be supported by Michael Soccio (See Exhibit D for Mike's resume) and Jason Gabloff (See Exhibit C for Jason's Resume) and Rheinhardt (See Exhibit A for Jon's Resume), who will be onsite on an as needed basis.

Jon Rheinhardt

Jon Rheinhardt holds the designations of CTC, CMFO, CCFO, RPPO, QPA and MPA. Jon offers more than twenty-seven years of municipal finance experience from a variety of positions.

First, spending five years as a municipal auditor, Jon obtained a unique understanding of the financial, operational and regulatory side of county, municipal, joint insurance fund and school finances. Working for the County of Morris as the Assistant Treasurer for over seven years and the Borough of Wharton as the Administrator and Finance Officer for more than thirteen years has given Jon the ability to experience municipal government operations from both a large organizational view point down to a small town.

Jon served as the Chairman of the Morris County Municipal Joint Insurance Fund (MCMJIF) and also serves as the MCMJIF representative for the Municipal Excess Liability Joint Insurance Fund (MEL), Environmental Joint Insurance Fund (E-JIF) and the Residual Claims Fund Joint Insurance Fund (RCF) at the statewide level. Jon is currently the chairman of the MEL.

Jon is also an instructor for Rutgers teaching the municipal finance courses to those seeking certification as CMFO's in the State of New Jersey. In addition to Rutgers, Jon has been a guest instructor for the Morris County Prosecutor's office for their Command School teaching finance to the law enforcement community. The County of Morris also enlisted Jon to teach a finance basics course as part of a county wide shared service educational seminar. Jon has also been a guest speaker for various League of Municipality seminars in the area of Shared Services, Newly Elected Officials Training, Capital and Debt Planning, to name a few. Jon was also involved in a public forum effort sponsored by Morris County to bring schools and municipalities together to identify shared services.

Jon earned his Bachelor of Science degree in Accounting from Rider College, Lawrenceville, NJ and his Masters in Public Administration from Fairleigh Dickinson University, Madison, NJ.

Jon was the Chairman of the Morris County Employees Federal Credit Union prior to their merger with Tri Co Federal Credit Union. Joining the Tri Co Board of Directors in 2000, Jon was an active member of the Financial Management Committee, Personnel Committee, and



Chairman of the Supervisory Committee. In May 2008 through June 2014 Jon served as Chairman of the Board for Tri Co Federal Credit Union.

Jon serves on the Board for the Government Finance Officers Association of New Jersey as the First Vice President and also on various committees.

Michael J. Soccio

Michael Soccio is a Certified Municipal Finance Officer. Mike offers more than 41 years of municipal finance experience from a variety of positions.

First, spending eight years as a municipal auditor, Mike obtained a unique understanding of the financial, operational and regulatory side of municipal and school finances. Working for the Township of Randolph as Treasurer and Tax Collector for over two years and then as the Chief Finance Officer for more than thirty years has given Mike the ability to experience municipal government operations from various viewpoints.

Joseph A. Kovalcik, Jr.

Joseph A. Kovalcik, Jr. is a Certified Municipal Finance Officer and Certified County Finance Officer. Joe offers more than seventeen years of municipal finance experience from a variety of positions.

Joe has been the CFO for the County of Morris since 2014 and had previously served the County in a variety of positions since 2000. Joe is an instructor for Rutgers teaching the municipal finance courses to those seeking certification as CMFO's in the State of New Jersey. In addition to Rutgers, the County of Morris also enlisted Joe to teach a finance basics course as part of a county wide shared service educational seminar. Joe has also been a guest speaker for the New Jersey League of Municipalities Conference and the GFOA of NJ Conference.

Joe serves on the Board for the Government Finance Officers Association of New Jersey and also on various committees.

Jason Gabloff

Jason Gabloff is a Certified Municipal Finance Officer and has a MPA from Seton Hall University. Jason offers more than twenty years of experience of municipal finance experience.

Jason has been the CFO for the Township of Millburn since 2003 and serves as the Part Time CFO in the Borough of Netcong since 2000. He is the Immediate Past President of the Government Finance Officers Association of New Jersey and Past Chairman of the Morris County Municipal Joint Insurance Fund. Jason is an instructor for Rutgers teaching the municipal finance courses to those seeking certification as CMFO's in the State of New Jersey and an Adjunct Professor for Seton



PHOENIX

CONSULTING GROUP

Hall University – MPA Program. Jason has also been a guest speaker for the New Jersey League of Municipalities Conference and the GFOA of NJ Conference.

Phoenix Consulting Group LLC's Mentoring Services

- I. **The mentoring services include, but are not limited to the following:**
 - a. General Ledger preparation and review
 - i. Posting of entries
 - ii. Review and understanding of balance sheet
 - b. Cash Management
 - i. Investments
 - ii. Banking relationships
 - iii. Forecasting
 - c. Budget Management
 - i. Fund Balance
 - ii. Analysis and reporting
 - iii. Utilization
 - d. Capital Planning/Debt Management
 - i. Long term planning
 - ii. Debt analysis
 - iii. Use of short term and long term debt
 - e. Office Oversight
 - i. Personnel management
 - ii. Day –to-day functions
 - iii. reporting
 - f. Payroll
 - i. Tax filings
 - ii. Reconciling
 - iii. Pension management
 - g. Purchasing
 - i. Bid process
 - ii. Encumbrance accounting
 - iii. Enforcement



Phoenix Consulting Group LLC Proposal for Services:

- I. Finance Office Assessment \$115 an hour (up to 240 hours) Not to Exceed \$27,600**
- a. General Ledger Preparation and Review
 - b. Audit assistance
 - c. Assist with Day to Day Management
 - d. Review of cash management
- II. Review of Payroll System \$115 an hour (up to 120 hours) Not to Exceed \$13,800**
- a. Payroll
 - i. Tax filings
 - ii. Reconciling Payroll Funds
 - iii. Pension Management
 - iv. Assist in Establishing Procedures
 - v. Research outsourcing Payroll Function
 - b. Benefits Administration
 - i. Assist in Establishing Procedures
- III. Review of Purchasing Function \$115 an hour (up to 120 hours) Not to Exceed \$13,800**
- a. Purchasing
 - i. Review Purchase Order and items that appear on form
 - ii. Review of requisition processing
 - iii. Review workflow of signature process
 - iv. Assist in preparation of Purchasing Manual

Please note that should any additional time should be deemed to be needed, the additional time will be billed at \$115 an hour.

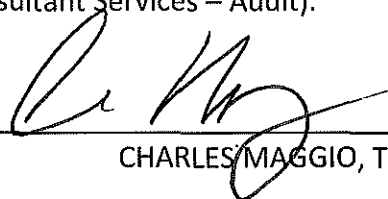
Respectfully,


Jon Rheinhardt

Jon Rheinhardt CCFO, CMFO, RPPO, QPA, CTC, MPA (Partner)
Joseph A. Kovalcik, Jr., CCFO, CMFO (Partner)
Michael J. Soccio, CMFO

TREASURER'S CERTIFICATION

I hereby certify that there are sufficient funds available (\$13,340) for payment of a professional service contract with Phoenix Consulting Group for non-exclusive professional consulting accounting services related to finance function effectiveness and efficiency. This item will be charged to Account No. 02-30-400-613 (Finance: Consultant Services – Audit).



CHARLES MAGGIO, Treasurer

DATED: June 22, 2017

CERTIFICATION

I hereby certify the foregoing to be a true copy of the resolution adopted by The Southeast Morris County Municipal Utilities Authority on Thursday, June 22, 2017, at a meeting duly convened of said Authority.



SIDNEY D. WEISS, Assistant Secretary

Dated: June 22, 2017



Southeast Morris County Municipal Utilities Authority
19 SADDLE ROAD • CEDAR KNOLLS, NEW JERSEY 07927 • TEL 973-326-6880 • FAX 973-326-9521

Resolution No. 63-17

RESOLUTION AUTHORIZING THE SOUTHEAST MORRIS COUNTY MUNICIPAL UTILITIES AUTHORITY TO SELL SURPLUS PROPERTY WITH GOVDEALS

WHEREAS, the Authority is the owner of certain surplus property which is no longer needed for public use; and

WHEREAS, the Authority desires to sell said property in an "as is" condition without express or implied warranties; and

WHEREAS, GovDeals is authorized under State Contract A70967/T2581 to perform said services on behalf of the Authority; and

WHEREAS, the sale of the surplus property shall be conducted through Gov Deals pursuant to State Contract No. 83453 (T2581) and in accordance with Local Finance Notice 2008-9; and

WHEREAS, the sale will be conducted online at GovDeals' auction site; and

WHEREAS, the surplus property to be sold pursuant to this Resolution are as listed and set forth in a memorandum annexed hereto and made part hereof as Exhibit A; and

WHEREAS, the surplus property will be sold in an as-is condition without express or implied warranties; with the successful bidder required to execute a hold harmless and indemnification agreement regarding the use of the said property; and

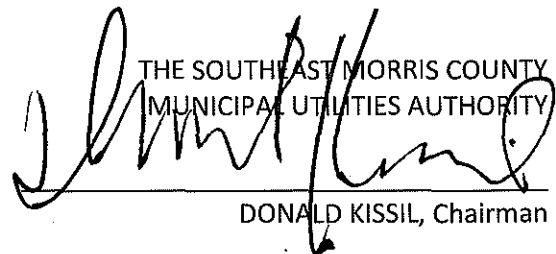
WHEREAS, the Authority reserves the right to reject any and all bids submitted;

NOW, THEREFORE, BE IT RESOLVED, by The Southeast Morris County Municipal Utilities Authority as follows:

1. The proposed sale of the Authority's surplus property shown on Exhibit A through GovDeals be and the same is hereby authorized and approved.

ATTEST:


SIDNEY D. WEISS, Assistant Secretary


THE SOUTHEAST MORRIS COUNTY
MUNICIPAL UTILITIES AUTHORITY
DONALD KISSIL, Chairman

Dated: June 22, 2017

Board Members

Morristown:
Mary Dougherty
Donald Kissil

Morris Township:
Dennis Baldassari
Alan Johnson

Morris Plains:
William Conradi
Ralph R. Rotando

Hanover Township:
Saverio C. Iannaccone
Adolf Schimpf

Executive Director/Chief Engineer: Laura Cummings, P.E.

Superintendent: Paul A. Kozakiewicz



Southeast Morris County Municipal Utilities Authority

19 SADDLE ROAD • CEDAR KNOLLS, NEW JERSEY 07927 • TEL 973/326-6860 • FAX 973/326-9521

MEMORANDUM

To: Laura Cummings, PE
Executive Director / Chief Engineer

From: Paul Kozakiewicz
Superintendent

Cc: Charles Maggio, Manager of Finance
Kenneth Crawford, Operations Superintendent

Re: Vehicles to be auctioned


Date: May 26, 2017

Kenneth Crawford, Operations Superintendent has completed a thorough assessment of all vehicles currently in the Authority's fleet. It has been determined that the vehicles listed below are either impractical for daily use or are in need of extensive repair. Therefore it is recommended that they be listed for public auction on GovDeals to be sold "as is".

- Vehicle 101 - 2012 Chevy Impala—Impractical Vehicle
 - Estimated Return - \$5,500.00
- Vehicle 110 - 2004 Ford F-250—Needs front end work, breaks, tires, tune-up and tie rods
 - Estimated Return - \$3,500.00
- Vehicle 3 - 2001 Dodge Ram—Electrical Issues; Beyond Economical Repair
 - Estimated Return - \$1,000.00
- Vehicle 31 - 2010 Ford F-150—Engine Failure, Parts removed; used to repair other vehicles.
Beyond Economical Repair
 - Estimated Return - \$500.00

CERTIFICATION

I hereby certify the foregoing to be a true copy of the resolution adopted by The Southeast Morris County Municipal Utilities Authority on Thursday, June 22, 2017, at a meeting duly convened of said Authority.



SIDNEY D. WEISS, Assistant Secretary

Dated: June 22, 2017



Resolution No. 64-17

RESOLUTION AUTHORIZING CONTRACT RENEWAL WITH HORIZON BLUE CROSS BLUE SHIELD OF NEW JERSEY FOR DENTAL INSURANCE COVERAGE FROM AUGUST 1, 2017 THROUGH JULY 31, 2018

WHEREAS, there exists a need for renewal of the Authority's policy for dental insurance coverage; and

WHEREAS, Horizon Blue Cross Blue Shield of New Jersey (Horizon), the Authority's current dental insurance provider, has agreed to provide a one-year contract renewal with a total increase of \$365.00 above the current contract amount; and

WHEREAS, the renewal rates and tiers of coverage are summarized in a memorandum from the Manager of Finance/Treasurer dated June 20, 2017, a copy of which is annexed as Exhibit "A"; and

WHEREAS, the Manager of Finance/Treasurer has recommended, in his aforementioned memorandum dated June 20, 2017, that the Authority accept the proposed renewal amendments submitted by Horizon Blue Cross Blue Shield of New Jersey at a maximum cost to the Authority of \$28,212.48 for coverage beginning on August 1, 2017 through July 31, 2018; and

WHEREAS, contracts for insurance may be awarded without competitive bidding within the exception to the Local Public Contracts Law, specifically set forth in N.J.S.A. 40A:11-5(m); and

WHEREAS, the Executive Director has, upon advice of counsel, certified that the award meets the statute and regulations governing the award of such contracts, a copy of which Certification is annexed as Exhibit "B"; and

WHEREAS, the Treasurer has certified that there are sufficient funds available in the 2017 Budget for the portion to be expended in 2017; portions to be expended in 2018 are subject to funds being available in the 2018 Budgets; and

WHEREAS, the Local Public Contracts Law (N.J.S.A. 40A:11-1 et seq.) requires that the resolution awarding contracts of this nature must be available for public inspection and that notice of the award be published in a newspaper authorized to publish the Authority's legal advertisements.

Board Members

Morristown:
Mary Dougherty
Donald Kissil

Morris Township:
Dennis Baldassari
Alan Johnson

Morris Plains:
William Conradi
Ralph Rotando

Hanover Township:
Saverio C. Iannaccone
Adolf Schimpf

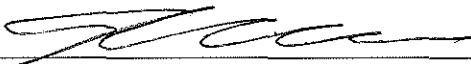
Executive Director/Chief Engineer: Laura Cummings, P.E.

Superintendent: Paul A. Kozakiewicz

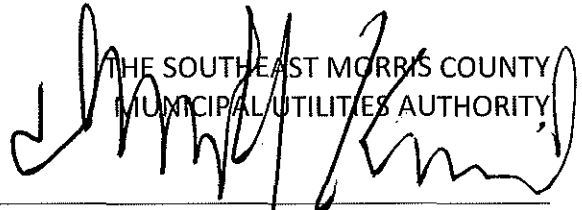
NOW THEREFORE BE IT RESOLVED by The Southeast Morris County Municipal Utilities Authority as follows:

1. That the proposed renewal amendments submitted by Horizon Blue Cross Blue Shield of New Jersey for dental insurance coverage be and the same is hereby approved and accepted at an annual premium of \$28,212.48.
2. The Chairman or Vice Chairman and Secretary or Assistant Secretary be and they are hereby authorized to execute and deliver a contract renewal for such services with Horizon Blue Cross Blue Shield of New Jersey.
3. The above contract is being renewed without competitive bidding pursuant to the provisions of N.J.S.A. 40A:11-5(m) for the reasons set forth in annexed Certification of the Executive Director.
4. Copies of this Resolution and the Proposal herein approved shall be filed in the office of the Secretary of the Authority and in the respective offices of the Clerks of the Township of Hanover, the Township of Morris, the Town of Morristown and the Borough of Morris Plains, and notice of the awards shall be published once in the Daily Record in accordance with the Local Public Contracts Law.

ATTEST:



SIDNEY D. WEISS, Assistant Secretary



THE SOUTHEAST MORRIS COUNTY
MUNICIPAL UTILITIES AUTHORITY

DONALD KISSIL, Chairman

DATED: June 22, 2017



Southeast Morris County Municipal Utilities Authority

19 SADDLE ROAD • CEDAR KNOLLS, NEW JERSEY 07927 • TEL 973-326-6880 • FAX 973-326-9521

MEMORANDUM

TO: SMCMUA Board

FROM: Charles Maggio, Manager of Finance

RE: Dental Coverage Renewal

DATE: June 20, 2017

CC: Laura Cummings, Executive Director/Chief Engineer

Horizon Dental is the current employee dental plan carrier for the Authority. Horizon's current contract expires at the end of July 2017. Willis Towers Watson has submitted rates from Horizon Dental for a one (1) year contract renewal along with quotes from three (3) additional carriers. Table 1 provides a comparison of the four (4) plans where the annual cost estimates were calculated by applying current enrollment preferences to each plan.

In review of the four (4) plans offered, we are recommending award of a one (1) year contract to Horizon; where, based on current enrollment, will result in an annual premium increase of \$364.68. The total annual premium for Horizon is \$786.96 above the lowest cost proposal submitted by Principal; however, Principal does not provide the required PPO choice in accordance with the IBT, Local 469 Agreement. The recently negotiated Agreement also requires an employee contribution of 17.25% per plan enrollment as compared to the previously negotiated fee of \$6.00 per month per enrollment.

Table 1
Dental Plan Proposal Comparison

Plan	Annual Premium based on Current Enrollment	
	Amount	Notes
Current Horizon Contract	\$27,847.80	
Renewal Horizon Contract	\$28,212.48	\$364.68 more than current premium
Principal	\$27,425.52	assuming one (1) employee from Horizon's 3rd plan is in PPO tier
Guardian	\$35,347.80	
MetLife	\$41,690.16	

CERTIFICATION

TO: SMCMUA Board Members
FROM: Laura Cummings, P.E., Executive Director/Chief Engineer
SUBJECT: Dental Insurance Coverage
DATE: June 22, 2017

This is to request your approval of the annexed resolution authorizing the contract renewal for insurance coverage to be executed as stated therein:

Carrier: Horizon Blue Cross Blue Shield of New Jersey
Cost: Not to exceed \$28,212.48 per year of contract extension
Period: August 1, 2017 through July 31, 2018
Purpose: Policies for employee dental coverage.

The contract for insurance coverage is requested to be renewed without competitive bids pursuant to Section 40A:11-5(m) of the Local Public Contracts Law as an Extraordinary Unspecifiable Service.

I do hereby certify as follows:

1. A renewal summary of Employee Dental Insurance Coverage was prepared by the Authority's Manager of Finance/Treasurer for the period of August 1, 2017 through July 31, 2018, which is attached hereto. The rates for renewal reflect a \$365.00 increase over the previous rates.
2. The contract renewal can be made pursuant to the exception set forth in 40A:11-5(m) of the Local Public Contracts Law.
3. The services are specialized and qualitative in nature requiring expertise, extensive training and proven reputation because they involve complex insurance evaluation and underwriting concepts and because they are within the specific exception under the aforesaid section of the Local Public Contracts Law.
4. The services cannot be described by written specifications because of the complexities described above and because no such specifications are required under the exceptions set forth in the Local Public Contracts Law.

5. I have reviewed the rules and regulations of the Division of Local Government Services applicable to the Local Public Contracts Law with the General Counsel and certify that the proposed renewal may be authorized within the exception set forth in N.J.S.A. 40A:11-5(m).

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Laura Cummings', with a stylized flourish at the end.

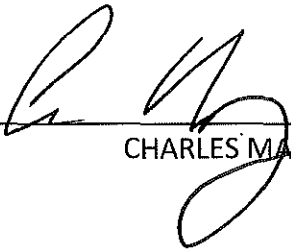
Laura Cummings, P.E.
Executive Director/Chief Engineer

TREASURER'S CERTIFICATION

I hereby certify funds for payment of a contract with Horizon Blue Cross Blue Shield of New Jersey for dental insurance coverage from August 1, 2017 through July 31, 2018 as follows:

1. In 2017, funds are available in the amount of \$11,755.20; and
2. In 2018, funds will be available in the amount of \$16,457.28 subject to the approval of the 2018 Budget.

The total maximum amount of this contract will not exceed \$28,212.48. This item will be charged to Account No. 02-20-400-605 (Statutory/Benefits: Dental Benefits).

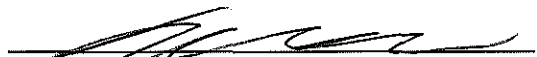


CHARLES MAGGIO, Treasurer

DATED: June 22, 2017

CERTIFICATION

I hereby certify the foregoing to be a true copy of the resolution adopted by The Southeast Morris County Municipal Utilities Authority on Thursday, June 22, 2017, at a meeting duly convened of said Authority.


SIDNEY D. WEISS, Assistant Secretary

Dated: June 22, 2017



Southeast Morris County Municipal Utilities Authority

19 SADDLE ROAD • CEDAR KNOLLS, NEW JERSEY 07927 • TEL 973-326-6880 • FAX 973-326-9521

Resolution No. 65-17

RESOLUTION AUTHORIZING CLOSED SESSION DISCUSSIONS

RESOLVED that discussion of:

1. Compensation of management/staff employees

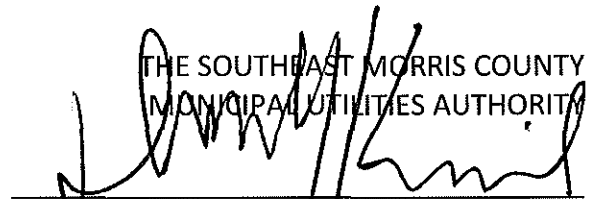
be held in closed session pursuant to subsection 8 of Section 12b of the Open Public Meetings Act (N.J.S.A. 10:4-6 et seq.); and

BE IT FURTHER RESOLVED that since the discussions are to be conducted in closed session as permitted by the Act, and may involve questions of attorney/client privilege, it is not known at this time when, or if, the contents of the discussions may be disclosed.

ATTEST:



 SIDNEY D. WEISS, Assistant Secretary

THE SOUTHEAST MORRIS COUNTY
 MUNICIPAL UTILITIES AUTHORITY


 DONALD D. KISSIL, Chairman

DATED: June 22, 2017

Board Members

Morristown:
 Mary Dougherty
 Donald Kissil

Morris Township:
 Dennis Baldassari
 Alan Johnson

Morris Plains:
 William Conradi
 Ralph Rotando

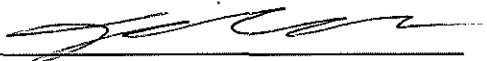
Hanover Township:
 Saverio C. Iannaccone
 Adolf Schimpf

Executive Director/Chief Engineer: Laura Cummings, P.E.

Superintendent: Paul A. Kozakiewicz

CERTIFICATION

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SIDNEY D. WEISS, Assistant Secretary

Dated: June 22, 2017



Southeast Morris County Municipal Utilities Authority

19 SADDLE ROAD • CEDAR KNOLLS, NEW JERSEY 07927 • TEL 973-326-6880 • FAX 973-326-9521

Resolution No. 66-17

**RESOLUTION APPROVING SALARY COMPENSATION
FOR MANAGEMENT PERSONNEL FOR 2016 AND 2017**

WHEREAS, the Board has reviewed the recommendations of the Executive Director, and the Policy of the Authority regarding salary increases for management personnel and General Counsel; and

WHEREAS, the Executive Director has recommended to the Board of Members that the current salary ranges within the Policy are adequate; and

WHEREAS, the Executive Director has recommended salary increases for specific management employees for 2016 and 2017 as set forth in the Schedule annexed hereto as Exhibit "A"; and

WHEREAS, the Board of The Southeast Morris County Municipal Utilities Authority has reviewed the recommendations of the Executive Director with respect to the attached compensation plan for 2015;

NOW THEREFORE BE IT RESOLVED by The Southeast Morris County Municipal Utilities Authority that the following Compensation Plan annexed hereto as Exhibit "A" be and is hereby adopted and approved.

ATTEST:

SIDNEY D. WEISS, Assistant Secretary

THE SOUTHEAST MORRIS COUNTY
MUNICIPAL UTILITIES AUTHORITY

DONALD KISSIL, Chairman

DATED: June 22, 2017

Board Members

Morristown:
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Hanover Township:
Saverio C. Iannaccone
Adolf Schimpf

Executive Director/Chief Engineer: Laura Cummings, P.E.

Superintendent: Paul A. Kozakiewicz

Exhibit "A"

COMPENSATION PLAN FOR MANAGEMENT EMPLOYEES

1. The following exempt and management positions are established:

<u>Position</u>	<u>Position Classification</u>
IT Infrastructure Assistant Supervisor	E-1
Payroll/Benefits Administrator	E-1
Administrative Assistant	M-1
Operations Assistant Supervisor	M-1
Program Coordinator Supervisor	M-1
Supervisor of Finance	M-1
Senior Engineer	M-2
Water Quality/Regulatory Specialist	M-2
Manager of Finance	M-2
Operations Superintendent	M-3
Information Technology Manager	M-3
Superintendent	M-4
Executive Director/Chief Engineer	M-5

2. The approved base salary ranges for the above-cited positions are as follows:

<u>Salary Guide</u>	<u>Minimum</u>	<u>Maximum</u>
E-1	\$43,857	\$60,147
M-1	\$50,122	\$75,184
M-2	\$75,184	\$106,511
M-3	\$87,715	\$121,442
M-4	\$106,511	\$140,675
M-5	\$125,307	\$169,320

3. The Executive Director shall maintain and periodically update job descriptions for each of the positions authorized above. Recommendations for changes in job titles and salary levels shall be reviewed and endorsed by the Personnel Committee subject to final approval of the Board.
4. The Executive Director shall prepare an annual performance evaluation for each management position. The Executive Director shall submit recommendations for management salary adjustments to the Personnel Committee before the end of each year. The Personnel Committee shall review the Executive Director's report and recommend a compensation package to the Board of Members for consideration not later than the Board's first meeting in December. The Board may, but shall not be obligated to, act on such recommendation.

5. The Personnel Committee shall review the minimum and maximum salary levels for each position at least every two years and may recommend changes based on market conditions, Consumer Price Index or other recognized index which accurately measures the cost of living or upon any other relevant economic and performance factors. The Board of Members shall consider changes in the minimum and maximum levels along with the compensation recommendations of the Personnel Committee.

2016 APPROVED SALARY CHANGES

Employee	2015 Salary	Rate	Amount	2016 Salary
Bozza, Alexis	\$69,615	2%	\$1,392	\$71,007
Buono, Nicholas	\$116,726	2%	\$2,335	\$119,061
Crawford, Kenneth	\$102,000	2%	\$2,040	\$104,040
Cummings, Laura	\$159,600	3%	\$4,788	\$164,388
Jonach, Jeremy	\$55,000	0%	\$ -	\$55,000
Kozakiewicz, Paul	\$135,212	2%	\$2,704	\$137,916
Maggio, Charles ⁽¹⁾	\$74,000	2%	\$1,480	\$86,480
Mercado, Celenia	\$67,000	2%	\$1,340	\$68,340
Saskowitz, Andrew	\$77,576	5%	\$3,879	\$81,455
Zimmermann, Geri	\$55,504	2%	\$1,110	\$56,614

⁽¹⁾ Promoted from Supervisor of Finance to Manager of Finance mid-2016.

2017 APPROVED SALARY CHANGES

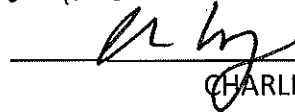
Employee	2016 Salary	Rate	Amount	2017 Salary
Bozza, Alexis	\$71,007	2%	\$1,420	\$72,427
Buono, Nicholas	\$119,061	2%	\$2,381	\$121,442
Crawford, Kenneth	\$104,040	2%	\$2,081	\$106,121
Cummings, Laura	\$164,388	3%	\$4,932	\$169,320
Jonach, Jeremy	\$55,000	2%	\$1,100	\$56,100
Kozakiewicz, Paul	\$137,916	2%	\$2,758	\$140,675
Maggio, Charles	\$86,480	2%	\$1,730	\$88,210
Mercado, Celenia	\$68,340	2%	\$1,367	\$69,707
Saskowitz, Andrew	\$81,455	5%	\$4,073	\$85,528
Zimmermann, Geri	\$56,614	2%	\$1,132	\$57,746

TREASURER'S CERTIFICATION

I hereby certify funds are available in the 2017 Budget in the amount of
\$ 50,000.00 for payment of compensation for management employees retroactive
to January 1, 2016.

This item will be charged to Account Nos.

02-10-400-501 ADMIN: Salary + wages
02-12-400-501 - IT: SALARY + wages
02-30-400-501 - FINAN: Salary + Wages
02-40-550-501 - HS+S - Salary + wages
02-50-400-501 - OPER: Salary + wages
02-75-400-501 - Water Quality: Salary + Wages




CHARLES MAGGIO, Treasurer

DATED: June 22, 2017

CERTIFICATION

I hereby certify the foregoing to be a true copy of the resolution adopted by The Southeast Morris County Municipal Utilities Authority on June 22, 2017, at a meeting duly convened of said Authority.



SIDNEY D. WEISS, Assistant Secretary

DATED: June 22, 2017