

MINUTES

JANUARY 22, 2005

The Board of Chosen Freeholders of the County of Warren met in budget session in its offices in the Wayne Dumont, Jr. Administration Building, Belvidere, New Jersey on January 26, 2005 at 9:00 a.m.

The meeting was called to order at 9:17 a.m. by Deputy Director DiMaio and upon roll call, the following members were present: Freeholder Deputy Director John DiMaio and Freeholder Everett Chamberlain. Freeholder Director Richard Gardner was expected to arrive shortly. Also attending were CFO Charles Houck, Fiscal Analyst Dan Olshefski and County Administrator Steve Marvin.

The Pledge of Allegiance was led by Deputy Director DiMaio.

Deputy Director DiMaio read the following statement: **"ADEQUATE NOTICE OF THIS MEETING OF JANUARY 22, 2005 WAS GIVEN IN ACCORDANCE WITH THE OPEN PUBLIC MEETINGS ACT BY FORWARDING A SCHEDULE OF REGULAR MEETINGS OF THE BOARD OF CHOSEN FREEHOLDERS TO THE WARREN COUNTY CLERK, THE STAR-LEDGER, AND DAILY RECORD AND BY POSTING A COPY THEREOF ON THE BULLETIN BOARD IN THE OFFICE OF THE BOARD OF CHOSEN FREEHOLDERS. FORMAL ACTION MAY BE TAKEN BY THE BOARD OF CHOSEN FREEHOLDERS AT THIS MEETING. PUBLIC PARTICIPATION IS ENCOURAGED. IN ORDER TO ASSURE FULL PUBLIC PARTICIPATION, THOSE INDIVIDUALS WITH DISABILITIES WHO WISH TO ATTEND THE MEETING SHOULD SUBMIT ANY REQUESTS FOR SPECIAL ACCOMMODATION ONE WEEK IN ADVANCE."**

To begin the overview, Mr. Olshefski distributed copies of a letter received from County Tax Administrator Melissa Pritchett illustrating estimated increases in Equalized Ratables from 2004 to 2005, resulting in an estimated increase in revenue of \$5,578,606. Open Space Tax is estimated to generate \$6,124,330 and Overpayment of County Taxes based on tax appeal reductions in 2004 is estimated at \$200,000. The substantial increase in ratables was higher than expected.

Regarding major expenses, Mr. Olshefski mentioned paying \$300,000 (approximately half) of the County Adjuster bill and the voting machines mandated by the Help America Vote Act (HAVA) in the amount of \$2 million.

Mr. Gardner arrived at 9:22 a.m. and apologized for being late.

Mr. Chamberlain said we need to address the Library; he proposed keeping \$300,000 flat for improvements and "pay as you go". A discussion then ensued regarding the Library's budget. The department had requested an increase of \$150,000 over last year, equal to 4.5%. Mr. DiMaio asked about debt service if a new Library is built. Mr. Houck said it could not be paid out of the Library's budget. Included in the budget request was \$535,000 for books compared to \$500,000 in 2004. Mr. DiMaio suggested appropriating \$450,000 for books and putting \$85,000 into the Capital Improvement Fund. If a new building is the goal, costs have to be cut in other areas. The other Board members agreed and Mr. Olshefski made the adjustment.

The proposed County Budget included an overall increase of 4.6%. Mr. Chamberlain noted that when you take out of consideration expenses such as salaries and utilities, we are left with \$1.5 million we can control. He suggested trying to bring the increase down to 4%.

Mr. Olshefski then offered suggestions on reductions of Operating Expenses (O.E.) by

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department. The recommendations were discussed and agreed upon as follows:

Public Information & Tourism:	reduced by \$15,000 (Summer Intern help)
Planning Department:	reduced by \$10,000 (recycling newsletters)
Juvenile Detention:	reduced by \$7,500
Correctional Center:	reduced by \$22,000
Road Maintenance:	reduced by \$69,000
Buildings & Grounds:	reduced by \$12,000
Mosquito Commission:	reduced by \$5,000
Warren Haven:	reduced by \$20,000
County Extension Service:	reduced by \$17,000
Warren County Community College:	reduced by \$10,176 to achieve a target increase of 3.50% over 2004 as opposed to 4.00%
Vocational-Technical School:	reduced by \$89,446 to achieve a target increase of 3.50% over 2004 as opposed to 5.91%

The following O.E. increases were proposed:

Board of Chosen Freeholders:	increased by \$15,000 for possible consulting services re: Solid Waste Management Plan
Board of Election:	increased by \$1,000 for mileage
Legal Services:	increased by \$50,000 for Highlands litigation
County Adjuster:	increased by \$12,500 for Joe Houston to perform legal duties

Regarding the Road Department, Mr. DiMaio asked why a County tree crew ever got involved with tree removal as opposed to having contractors perform the duties. Mr. Marvin said it had been approved in 2000 to be a separate entity. Mr. Marvin and the Board members agreed it would be a good idea to explore a cost comparison of the expenses associated with the Road Department employees dedicated to Shade Tree vs. contracted services. Mr. Houck was expected to investigate.

Regarding Warren County Community College, Mr. Houck pointed out that the "Out of County College" expenses went down dramatically because of the current administration's adherence to statutory deadlines for tuition chargebacks. It was remarked by Mr. DiMaio that the college is run much more efficiently with the new President.

Mr. Chamberlain noted that he thought the Special Services School District seemed high. He was under the impression there were only 81 students enrolled. Perhaps there is too much administration. Mr. Marvin looked up the 2002-2003 school year and said there had been 100 students at that time.

Regarding the Medical Examiner, Mr. Chamberlain asked how he is paid. Mr. Marvin said he is under contract to us and is on call 24 hours. He has several assistants. The increase of 8.87% in O.E. is due to lab fees, said Mr. Marvin.

A discussion took place in regards to the PCFA, Solid Waste and Covanta. Mr. Chamberlain said it was confusing and would like to know how it is structured. Mr. Marvin suggested having a disinterested third party consultant come in to evaluate the operation. We should get some advice as to whether or not we need to maintain the PCFA after the landfill closes. It was then decided to increase the Freeholders' O.E. by \$15,000 to budget for this expense.

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The Help America Vote Act (HAVA) requirements were discussed. Mr. Chamberlain thought spending \$2 million for new voting machines was unreasonable. Would it be possible to purchase one or two machines and look at transporting people to centralized locations? What is the deadline for having these machines in place? The answer being by the school election in April of 2006. Mr. Marvin noted that there are also storage and special transportation requirements for the machines and he suggested putting 5% down to bond if full procurement becomes necessary. We should try to have someone from the Attorney General's Office explain to us exactly what is required. Mr. Chamberlain said there may be waivers.

The conversation continued, turning to compensation of the Election Board. Mr. Chamberlain said they do an excellent job, but we could probably advertise and get ten good, qualified people for the same amount of money. "The system doesn't work that way," replied Mr. Marvin. Election Board members are appointed from nominations of the majority political parties.

Regarding Open Space, Mr. Chamberlain alluded to dedicating \$1.3 million to historical restoration. He had approached Knowlton Township and inquired as to their long-term plans for the Ramseyburg Hotel and they said they have none. He questioned the wisdom of putting money into these properties just to have tarps put on. We're putting a lot of money into these buildings and they can decay again, said Mr. Chamberlain. He would like to initiate a policy discussion regarding the goals of this program. In reference to the VanNatta house, "Maybe it should be in private hands." Mr. Gardner agreed that the term "stabilization" is ambiguous. Perhaps we need to amend not only stabilization, but to have a plan of action with a timeline. "I'd like to see a funding source," said Mr. Chamberlain, adding he would rather put the money into preserving land. Mr. Marvin said there is no requirement under the law and it is discretionary with the Board as to whether these projects are approved or not.

Mr. Houck reviewed the CAP Law and the fact that the \$600,000 Adjuster bill falls within the CAP. Mr. DiMaio expressed his desire to pay down the County's debt. All the Board members agreed that this was a good target.

There was a short recess at 10:55 a.m.

Immediately following the recess, Road Department Supervisor Rick Miller was present to discuss his requests for the Capital Improvement Program. He distributed an inventory list of trucks and equipment including ages of same. He said if you don't keep up with replacements, "we run into problems." A multi-use catch basin cleaner is requested to be in compliance with new Stormwater Management Regulations. It is intended to be mounted on an old obsolete paint truck. Mr. Miller said 75-80 miles of roads have to be swept a minimum of once a year. This obligation does take away from our equipment operators, said Mr. Miller and it would help if we could purchase the other machine for \$185,000. He also wanted the Board to consider a new loader/backhoe for \$100,000 (a requested item in his budget not recommended by the Treasurer's Office). Presently, two machines are being leased from S&L Equipment, who performs all maintenance.

Mr. DiMaio inquired about tree removal prior to the establishment of the Shade Tree crew. Mr. Miller replied that in 1999, the contractor had been Rusty Peterson's Tree Service in Stanhope, who only cut the trees. The Road Department had to "flag and chip". Mr. Chamberlain asked if more work is being done now, or about the same as when contracted. Mr. Miller said in his opinion, a lot more is being done at the present time. There are times

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when the workers are doing other things. On the other hand, said Mr. Marvin, there's liability. Mr. Gardner asked if anything was being done differently since the accident. Mr. Miller said yes. There are fewer storm related calls now as a result of the Shade Tree crew, claimed Mr. Miller. The workers submit a work sheet like everyone else. Mr. Gardner asked about a healthy tree that had been cut down way off of the road by Rymon Road and Rt. 632. Mr. Miller said it was dead and was in fact, in the County right-of-way.

Regarding the loader, Mr. Chamberlain said since leasing expenses are built into the budget, he was in favor of keeping it that way. Mr. DiMaio suggested holding off on purchasing the multi-use catch basin cleaner until next year and purchasing the vacuum street sweeper. If it's one of the other, said Mr. Miller, I'd rather have the multi-use. We already have two sweepers. It was decided to purchase the multi-use catch basin cleaner for \$95,000 and remove the \$185,000 vacuum street sweeper from the budget request.

County Engineer Dave Hicks approached the Board to discuss his Capital Improvement requests. Resurfacing should be done on an 11 or 12 year cycle and is a top priority, he said. We're trying to make do with less money each year. Mr. Chamberlain asked if the increase reflects the cost of materials. Mr. Hicks said yes, we're conservative; we're not going to run out of money. Any reimbursements from FEMA will take even longer than expected because they had sent contractors who "fouled up the applications". In efforts to rectify damage inflicted by Hurricane Ivan, over \$700,000 in repairs have been done and PO'd. There is a cash flow problem with FEMA. Mr. Marvin asked if he can keep going. Mr. Hicks said they've had to re-prioritize. Lommasson Glen is one lane. They threw stone on Brass Castle Road, but a bad storm or winter could collapse the wall. It is a lot of work; we're doing our best, said Mr. Hicks. Fish and Wildlife have been very cooperative.

Capital has not been growing, but expenses keep going up. Mr. Chamberlain asked what does not have to be done this year. The answer was bridge painting (\$150,000) and the Phase II sign inventory could be put off too (\$100,000). Mr. Chamberlain suggested Mr. Hicks retool his Capital Improvement requests indicating essential and non-essential projects.

Mr. DiMaio said he would like to "keep chipping away at our debt". We've done such a good job in recent years, we could almost be debt-free. Mr. DiMaio and Mr. Chamberlain agreed that Mr. Hicks' goal should be to try and cut out \$400,000, which would be an \$800,000 increase over last year. Mr. Houck said that \$400,000 saved could be used to retire the note. Mr. Hicks cautioned them to remember the Fairgrounds.

The group then turned their attention to renovations requested by Warren Haven, which had not been recommended by the Treasurer's Office. The addition of a storage room accounts for \$140,000 of the \$2,142,000 request. Factored into the cost is the fact that people are housed there at all times. The request is to renovate 25% of the facility. Mr. DiMaio thought this would be an appropriate item to go before the County Projects Committee.

Mr. Olshefski summarized the decisions made at this meeting by saying we are looking at a bottom line increase of \$3.5 million which is \$2 million under what the Tax Administrator had estimated as revenue increase. This translates to a \$.02 tax rate decrease, so we can still pay off the \$1 million note and "be at a penny". Again, the issue of the \$600,000 Adjuster bill due in 2006 was raised and Mr. Marvin said we will be getting bills for 2001 and 2002 which will probably be due in 2006 also.

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There was some debate as to whether another budget meeting should be scheduled. Mr. Chamberlain suggested the decision be made once the updates are obtained. The Library should be given the opportunity to use their discretion as to where to cut the \$85,000. It doesn't have to come out of books.

On motion by Mr. DiMaio, seconded by Mr. Chamberlain, and there being no further business to come before the Board at this time, the meeting was adjourned at 12:50 p.m.
Recorded Vote: Mr. Chamberlain yes, Mr. DiMaio yes, Mr. Gardner yes

ATTESTED TO:

Steve Marvin, Clerk of the Board