

SPECIAL SESSION MINUTES

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AUGUST 9, 2007

The Board of Chosen Freeholders of the County of Warren met in Special Session in its offices in the Wayne Dumont, Jr. Administration Building, Belvidere, New Jersey on August 9, 2007 at 3:00 p.m.

The meeting was called to order by Deputy Director DiMaio and upon roll call, the following members were present: Freeholder John DiMaio and Freeholder Richard Gardner. Also attending were Assistant County Counsel Nancy Gage and County Administrator Steve Marvin. Freeholder Director Everett Chamberlain was absent.

The Pledge of Allegiance was led by Deputy Director DiMaio.

Deputy Director DiMaio read the following statement: **“ADEQUATE NOTICE OF THIS MEETING OF AUGUST 9, 2007 WAS GIVEN IN ACCORDANCE WITH THE OPEN PUBLIC MEETINGS ACT BY FORWARDING A NOTICE OF THIS SPECIAL MEETING 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.”**

This meeting was called to release this report, said Mr. DiMaio. A question and answer period will follow the action to release the finding, but comments/questions will be limited to three minutes per person.

On motion by Mr. Gardner, seconded by Mr. DiMaio, DISCUSSION AND PUBLIC RELEASE OF THE REPORT OF THE HON. DOUGLAS K. WOLFSON, J.S.C. (Ret.) CONCERNING THE INQUIRY RE: CERTAIN FINANCIAL TRANSACTIONS OF THE POLLUTION CONTROL FINANCING AUTHORITY OF WARREN COUNTY.

Before Roll Call, Mr. DiMaio and Mr. Gardner thanked Judge Wolfson for his thorough investigation and summarized the findings as follows:

At issue were allegations of improper conduct regarding the investment late last year of \$2.5 million in funds from the Pollution Control Financing Authority (PCFA).

Judge Wolfson has found no evidence of any wrongdoing by PCFA Members Angelo Accetturo and Laurel Napolitani. Similarly, there is no evidence that Freeholder Director and PCFA Member Everett Chamberlain acted improperly in any way.

It is important to remember that it was County Counsel Joseph J. Bell who first provided the letter from then-PCFA Attorney James Broschious and the certification from then-PCFA CFO Jeffrey Long, in which the allegations were raised, to law enforcement. The Warren County Prosecutor's Office was furnished with the letter and it was Mr. DiMaio's understanding that the U.S. Attorney General's Office had been notified as well.

To the best of the Freeholder Board's knowledge, no law enforcement agency at any level has expressed interest in investigating the allegations so this administrative investigation must serve as the best available analysis.

In summary, Judge Wolfson's investigative actions, his findings of fact, his assessment and recommendations include the following:

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- Sworn statements were taken from 10 people, including current and former PCFA officials and representatives of First Hope Bank.
- Documents reviewed included the PCFA Requests for Proposal (RFP), PCFA Cash Management Plan, PCFA Board Minutes, other PCFA records and RFP's, individual cell phone records and documentation and correspondence from First Hope Bank and other banks.
- Judge Wolfson found no credible evidence that either Angelo Accetturo or Laurel Napolitani engaged in any improper conduct with respect to the investment of PCFA funds.
- Accetturo and Napolitani did not "interfere" in the investment process, but acted in accordance with their duties as PCFA Finance Committee Members by discussing how to maximize the PCFA's return on its invested funds by splitting the deposit between two financial institutions. The suggestion was "not only proper, but prudent," Judge Wolfson concluded.
- The allegations were not corroborated by evidence gathered in sworn depositions.
- Contrary to his initial assertion, Long did not object to the proposal to divide the funds between two banks when it was raised during a PCFA Finance Committee Meeting.
- The PCFA's RFP's from banks, as drafted and managed by Long, was unclear and contradictory. It also did not call for a completely liquid investment.
- There is no evidence to support Long's assertion that proposals from banks were to be confidential.
- It is recommended that the PCFA's investment process be clarified by the adoption of policies and procedures clearly delineating how the Authority's Cash Management Plan is to be implemented.

From his own personal perspective, Mr. Gardner said these are three individuals who have devoted their time to volunteer for a very serious task for the benefit of the public. In government, there is an obligation to be ethically clean and their names have been sullied. Having known two of the three for a very long time, Mr. Gardner had anticipated they would come out "with a clean slate". He sincerely hoped the press would act responsibly enough to run a story on the front page informing the public that the accused individuals have been "clearly, emphatically, exonerated". Subjective opinions that lead to investigations are counterproductive.

As an elected official, Mr. DiMaio said he has always valued citizen volunteers. We couldn't make government work without them. To the two wonderful PCFA Members here today (Accetturo and Napolitani), you have done good things for the Authority. "I'm very sorry you had to go through this," said Mr. DiMaio. "It's unfortunate."

Mr. DiMaio pointed out that some of Mr. Long's original sworn statement was later recanted.

Judge Wolfson carried out this investigation without any interaction with any Freeholder. "I've never met him," said Mr. DiMaio.

At this time, Mr. DiMaio asked that the roll be called.

Recorded Vote: Mr. Gardner yes, Mr. DiMaio yes, Mr. Chamberlain absent

Under Closing Public Comments, Ms. Laurel Napolitani approached and read the following statement:

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"Having read Judge Wolfson's report in its entirety, I find that he was thorough in his ability to analyze the facts and deliver an appropriate decision as to the allegations made by Jeff Long. I think it is unconscionable that the citizens of Warren County have had to bear the financial burden related to these unfounded allegations. They were blatant lies which were broadcast by the former PCFA attorney."

"While the Freeholders decided to have their own investigation, no law enforcement agency has responded to these frivolous allegations and yet, we have suffered the torment of this fabrication. No wonder Mr. Long resigned his position at the PCFA and moved on to new employment within another state."

"I was appointed to this Authority for my integrity and business knowledge strictly as a volunteer. I have been diligent in my efforts to perform the duties and responsibilities that have been entrusted to me as a commissioner. I was shocked when I received the allegations which were untrue and not supported by any credible evidence."

"The commission is being rebuilt with knowledgeable, trustworthy, goal-oriented individuals having the best interests of the Authority as their priority."

Mike Frassinelli of the Star-Ledger asked why the Board continued to pursue the matter since no law enforcement agency took on the investigation and the main accuser (former PCFA Attorney James Broschious) subsequently passed away.

Mr. DiMaio said first of all, we had initiated the investigation prior to the death of Mr. Broschious. Secondly, we wanted to know the truth. Two volunteers were accused of wrongdoing and their reputations were affected. They should be able to do their jobs without being slandered or tainted in any way. If there had been misconduct, we would have taken appropriate action.

Mr. Gardner noted that the main accuser was actually Mr. Long. Mr. Broschious had drafted a letter based on Mr. Long's comments.

Both Mr. Gardner and Mr. DiMaio reiterated that Warren County benefits from the work of many volunteers. They make government better and serve in a public body without any remuneration. We're delighted to have them and should protect them.

"Where do we go from here?" asked Mr. Frassinelli. We release the findings to the public, said Mr. DiMaio. Their names need to be restored, added Mr. Gardner.

Ron Reese from Radio Station WRNJ asked when the report would be available. He was told they are here right now.

Sara Satullo of the Express-Times asked for further details on Jeff Long having recanted certain statements. She was told it was all included in the report for her to read for herself.

Damian Fracasso asked if all the materials, including depositions, would be made available. Mr. Marvin said 20 copies are available here today; one master copy including redacted transcripts, will be accessible through the Public Information Office.

On motion by Mr. Gardner, seconded by Mr. DiMaio, and there being no further business to come before the Board at this time, the meeting was adjourned at 3:22 p.m. Recorded Vote: Mr. Gardner yes, Mr. DiMaio yes, Mr. Chamberlain absent

ATTESTED TO:

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Steve Marvin, Clerk of the Board