

MINUTES

JANUARY 12, 2008

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 12, 2008 at 9:08 a.m.

The meeting was called to order at 9:08 a.m. by Director DiMaio and upon roll call, the following members were present: Freeholder John DiMaio, Freeholder Richard Gardner and Freeholder Everett Chamberlain. Also attending were CFO Charles Houck, Fiscal Analyst Dan Olshefski and County Administrator Steve Marvin.

The Pledge of Allegiance was led by Director DiMaio.

Director DiMaio read the following statement: **“ADEQUATE NOTICE OF THIS MEETING OF JANUARY 12, 2008 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.”**

Mr. Houck began a broad overview by bringing up CAP Law issues. He is still awaiting some additional information from the State, expected no earlier than January 15. CAP compliance numbers for health insurance and tax levies are still unavailable. The County can only increase its health insurance expenditures as much as the State does. The County's increase in health insurance expenses last year was 15 per cent; the State's was 7.6 per cent. Capital improvements and debt service are still outside the CAP.

Regarding CAP concerns in general, Mr. Olshefski expressed the opinion that the County will “be okay” since this is such a conservative Board. If this County can't manage to stay within CAP constraints, others will have problems as well and things would have to change, Mr. Olshefski said.

Increases in ratables which had been robust in recent years, are now slowing down as expected. At the present time, one penny on the County tax rate is equal to \$1.4 million in revenues.

Reflecting prescriptions and actual claims paid, medical insurance increased sharply. Mr. Marvin noted that prescription co-pays may increase in 2008. An ongoing concern is that medical insurance costs will continue to increase exponentially. Mr. Marvin said the only way to combat the problem is to decrease employees which can't be done without impacting delivery of services. Numerous retirements are on the horizon due to a huge hiring bubble in the 1980's. Mr. Houck said the problem is that the system encourages early retirement. Mr. Chamberlain requested a spreadsheet illustrating pending retirements and vacant positions. Mr. Marvin said Personnel Director Jerry Coyle was already working on same. Mr. Chamberlain thought the concept of contracting out certain jobs as they become vacant was worth exploring.

The cost of insurance for property, casualty, etc. went down. The Board expressed concern that they were being lulled into a false sense of security by the fund only to be hit with increases after renewal.

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Attention then focused on individual departmental budgets. A sharp increase in the Board of Elections was partly due to expenses associated with the Presidential Primary for which there will be reimbursement from the State. Mr. Chamberlain asked if the new positions requested were accounted for here. Mr. Olshefski said no. New positions and promotions will be determined at a later date.

In the Public Information Department, a decrease in Salaries and Wages (S&W) was due to a summer intern position that had been eliminated. S&W also went down in Cultural & Heritage due to a retirement.

In the Office of Emergency Management, a grants management position that had been established during the first round of the Homeland Security Grant is converting to a County expense. Mr. Chamberlain said the expiration of grant-funded jobs is a concern. OEM Coordinator Frank Wheatley wants to keep the person on staff. He has been helpful in obtaining more grant funds, according to Mr. Olshefski and Mr. DiMaio.

An increase under Volunteer Fire Company Training was attributable to an increase in the amount of hours the coordinator is to work; better record-keeping practices need to be established. Mr. DiMaio noted that revenues are generated when outsiders come to train there, off-setting some of the cost.

The Correctional Center also posted an increase due to the swelling prison population. Mr. Chamberlain expressed interest in closing down Warren Acres due to low population and have any minor inmates housed at Morris County Facility at a cost of roughly \$180 per day. Mr. Marvin said the process of review has begun and would take about six months to complete.

The Prosecutor showed significant increases, partially due the expiration of a canine program grant that had been administered by Pohatcong Township. The Board didn't seem very interested in taking it over.

With attention turning to Road Maintenance, the cost of repair materials has gone up. Mr. DiMaio thought this year, the Board should seriously consider merging the Departments of Bridge Maintenance and Buildings & Grounds into the Road Department, especially in light of so many pending retirements. Having a consultant come in to do a study was mentioned, but Mr. Chamberlain thought since the plan would still have to be implemented, maybe it would make more cost-effective sense to go ahead and hire a Public Works Director with the knowledge and organizational skills required to pull everything together. With Supervisor of Roads Rick Miller retiring at the end of the year, now would be logical time to make the change.

Mr. Marvin said Warren County Special Services School District may be moving into the vacant Caretaker's House on the Warren Haven Campus. The Board didn't seem very enamored by the idea. Regarding the W.C. S.S.S.D. in general, Mr. Chamberlain thought it had a huge administrative structure for the number of students in the program, currently thought to be about 58.

Utilities have gone up across the board. A one-time capital upgrade was incorporated in the sewerage portion of the Budget to alleviate the grease and debris problem from the Correctional Center.

Reimbursements to Public Health Nursing have gone down due to a reclassification in the Lehigh Valley; previously, the agency had been reimbursed at Newark area rates.

Under Environmental Health, Mr. DiMaio thought there should have been more of a

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decrease in Other Expenses (O.E.) because of the reduction in rental costs. Mr. Olshefski was going to look into it. A Bioterrorism Grant that currently funds five positions will be reduced this year. Mr. DiMaio thought at least one of the positions, a full-time Principal Clerk Typist, should be eliminated.

Mr. Chamberlain reiterated his opinion that as grant money goes away, so should the positions. He again expressed interest in seeing a list of all vacancies and was reminded Mr. Coyle was putting one together. Mr. Chamberlain wondered if the Board should now establish a policy in terms of filling or not filling job vacancies. If a position has been vacant for six months to a year, do we really need to fill it? Mr. Marvin said a rule of thumb in Civil Service is to give notification 90 days in advance of such action.

The Board took a short break at 10:52 a.m., reconvening at 11:04 a.m.

Regarding Education, Mr. Chamberlain said he thought the Vo-Tech should be flat-funded this year since they generate a lot of revenue from the State. The consensus of the Board was to flat-fund the Technical School especially in view of a projected 20% increase in State Aid. Mr. DiMaio wondered if Rutgers Cooperative Research and Extension could be flat-funded as well. Mr. Marvin seemed doubtful.

It was decided that all three education institutions – Warren County Community College, Warren County Technical School and Warren County Special Services School District – should be scheduled to present their Budget requests to the Board at the next Budget Session on January 26.

A theoretical discussion ensued regarding Capital Improvements. Mr. DiMaio introduced the idea of taking two cents out of the Open Space Tax Rate and putting it toward other Capital Projects. Noting that the statewide Open Space Question on the ballot failed in the election in the Warren County vote, Mr. DiMaio thought this would be a way to still meet Open Space needs, but also meet Capital needs and be debt free. He also thought maybe the major projects could be spaced out over a longer period of time, namely delaying the Court House Wing renovation.

Neither Mr. Gardner nor Mr. Chamberlain was in favor of extending the projects timeline. Mr. Chamberlain said commitments have been made to the Courts and he felt very strongly they move ahead as soon as possible. Mr. Gardner predicted a backlash if people think new construction will be paid for with Open Space Funds. Mr. DiMaio still wanted his colleagues to consider reducing the Open Space Tax Rate by two cents, while increasing the County Purpose Tax Rate by two cents, asking them to think about it. Farmland Preservation and Municipal & Charitable Conservancy Trust Fund would remain the same.

Mr. Chamberlain insisted he thought Court House renovations have to be a focus in 2008 or people will lose confidence in the Board and he felt the same way about the new building. How the money is moved around to fund the projects was of great concern to him.

Mr. Gardner said he felt very strongly that the timeline for the projects must be adhered to. Philosophically, he said, I think we're on the same page. It's the matter of how we go about it that needs to be worked out.

For the next Budget Session, it was established that the Agenda would focus on Education and detailed review of Capital Projects.

Mr. Marvin apprised the Board of potential press events discussed at the last meeting of the

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Projects Committee. In late March, they would like to erect a huge sign along the road of the White Township Campus announcing the new building, including an architect's rendering of same. In late April/early May, they would like to have a groundbreaking ceremony, either for the new building or the Court House. It seemed in the best case scenario, Prosecutor's Office personnel would be moving into the Warden's House in early April. The Board was in favor of having a groundbreaking for Court House renovations in early April.

Mr. Marvin said according to Attorney Steve Shaw, the State's Motion to Dismiss the suit filed by Warren County challenging the Highlands Act is scheduled for Friday, January 18, 2008 at 2:00 p.m. at the Mercer County Court House. Although Mr. Chamberlain will be on vacation, Mr. Marvin thought a Freeholder should be in attendance.

On motion by Mr. Chamberlain, seconded by Mr. Gardner, and there being no further business to come before the Board at this time, the meeting was adjourned at 12:01 p.m.
Recorded Vote: Mr. Chamberlain yes, Mr. Gardner yes, Mr. DiMaio yes

ATTESTED TO:**Steve Marvin, Clerk of the Board**