

MINUTES**FEBRUARY 1, 2012**

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 February 1, 2012 at 7:00 p.m.

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

The Pledge of Allegiance was led by Director Chamberlain.

Director Chamberlain read the following statement: **“ADEQUATE NOTICE OF THIS MEETING OF FEBRUARY 1, 2012 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.”**

Also attending this session were Sheriff Dave Gallant, Frank Wheatley and Bill Hunt of the Department of Public Safety and Scott Ferguson and Kelly Shelton of the Prosecutor's Office.

Dave Gallant began by saying that he had conferred with Mr. Olshefski and Mr. Houck since submitting his original budget to come up with some savings. He had requested video surveillance cameras for the jail for \$38,600, but after consulting with the Buildings & Grounds Department and arranging for them to do some of the work, Mr. Gallant said that could be reduced by \$8,000. Mr. Chamberlain asked if the cameras had to be installed this year. If not, Mr. Gallant said he thought it exposed the County to liability since some areas where inmates and Corrections Officers interact are dark black.

An oven replacement had also been requested for the jail which would have cost the county about \$12,000. Aramark, the food service provider under contract, has agreed to absorb that cost.

Regarding juvenile detainees, Mr. Gallant thought the amount budgeted to be paid to Morris County to house them could be reduced by \$60,000. There was some more detailed discussion on the terms of the contract with Morris County. It covers not only beds, but transportation, extraordinary medical expenses, overhead, etc. Five Warren County juveniles are there at the present time. When the population exceeds five, there is an extra cost.

In total, Mr. Gallant said more than \$85,000 has been shaved off of his initial proposal submitted last fall. He was interested in exploring another potential savings opportunity as well: there is an Inmate Welfare Fund in the Correctional Center with quite a bit of money in it. The funds have to be used for the benefit of the welfare of the inmates and about \$9,000

per month is spent on pharmaceuticals for the inmates. Approval is needed from the Department of Corrections to do such a thing and Mr. Gallant was advised that County Counsel should explore these spending alternatives. The Board was in favor of pursuing this.

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Since the Departments of Corrections and Sheriff were merged early last year, Mr. Sarnoski asked if any operational or financial efficiencies had been realized. Mr. Gallant said that with psychological testing required to be done on potential new hires, the Correctional Center gives the first round of testing on site. This could be broadened to include those applying for Sheriff's Officers and Telecommunicator positions. Once implemented, this would save about \$500 per candidate because only one visit to the psychologist would be required instead of two.

Mr. Sarnoski inquired about the S&W increases of \$60,000 in the Sheriff's Office and \$150,000 in Corrections. He was told those were automatic steps already in place through collective bargaining agreements.

After commenting on revenues being down due to a Court induced slowdown on foreclosure processing, Mr. Gardner said he appreciated the cost savings. "I'm trying," Mr. Gallant said. He was excused at 7:19 p.m.

Public Safety Director Frank Wheatley was next. He elaborated on a list of ongoing projects he had distributed to the Board. With copper theft on the rise, Mr. Wheatley thought video monitoring of tower sites should be considered. The sites are alarmed, but there is a response time. It's not so much the value of the copper, but the peripheral damage and threat to the system. Mr. Chamberlain asked about the availability of grant money. Mr. Wheatley said grants are harder to come by and are getting more restrictive. The alarm is silent. There was some discussion of adding a siren to deter potential thieves.

Regarding the Phillipsburg alerting site, Mr. Wheatley said inherent problems exist there and he has been seeking to set up a microwave platform for several years.

Mr. Wheatley reported an opportunity to purchase the Jonestown tower and property. Right now, the County has hardware on a telephone pole next to the 80 foot tower. Erecting a 140-150 foot tower there would help a "notorious dead spot" along Rt. 31 in the Mansfield/Oxford area as well as radio transmission in the central part of the county. Mr. Wheatley thought the project would cost about \$200,000. Once complete, it would save \$62,000 per year currently being paid to Verizon for backup lines. Mr. Chamberlain thought negotiating purchase of the property was the first step. Mr. Wheatley said the owners arbitrarily threw out a number of \$300,000 for the property and tower. It is assessed at \$105,000.

Mr. Wheatley finished his presentation by saying they had done some trimming and reduced operating costs in the Communication Center by \$55,000 and also held down overtime. This portion of the meeting concluded at 7:40 p.m.

Prosecutor Scott Ferguson was then invited to come up. He said in 2011, the Freeholders had instructed him to save \$125,000 and he saved \$229,000 in salaries. He provided a summary of vacated positions and their lower paid replacements. First Assistant Prosecutor Kelly Shelton said two vacant positions still need to be filled: a Principal Clerk

Transcriber and an Assistant Prosecutor.

Tapes need to be transcribed in a timely manner and the amount of work is voluminous. Mr. Chamberlain asked if it could be contracted out. Ms. Shelton didn't think that would save any money. Transcribers for Court proceedings cost an "astronomical" amount of money. They need someone on staff to get the work done. Mr. Ferguson said they start at only about \$25,000/year. Mr. Chamberlain pointed out that with health benefits for a family, the benefits cost the County as much as the salary.

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Regarding the AP position, Ms. Shelton said it needs to be filled for a number of reasons. There is now a Recall Criminal Judge in Warren County so two criminal cases can be conducted at the same time. Armed robberies are on the rise this year and all require investigation. In addition, the Assignment Judge decided that a protracted case can be transferred out of the county. "We objected to the transfer, but it's been done and as a result of that, I may have to send an Assistant Prosecutor out of the county for a five week trial," Ms. Shelton said. One AP will be going on maternity leave this year. Expungements are up more than 50 percent due to a change in the law and the Prosecutor's Office has to respond to every petition.

Mr. Ferguson said considering the savings in S&W in 2011, he thought he should be able to go ahead and fill these positions. Of Ms. Shelton, he said, "Kelly has really been doing the work of two people ... I'd publicly like to thank her for that," but it can't go on and on.

Regarding a \$21,000 request for some laptop computers, Mr. Chamberlain wondered if that cost could be covered by the Prosecutor's own fund. Ms. Shelton didn't think the entire cost could come out of there, but she said she would look into it. The fund is not supposed to be used for the office's regular operating expenses.

Mr. Sarnoski said a year ago, we discussed reducing mileage on County cars. "I don't think that happened over the last year," he said. It was down for the first quarter, but the end of the year report showed it was back up again. Ms. Shelton said that she, Mr. Ferguson and the Chief of Detectives have tried to lead by example by regularly paying for their own gas, but no policy changes have been implemented. Mr. Sarnoski thought it had to be communicated to the ranks that this is a privilege, not a right. A lot of people don't get to take cars home. You're going to have to set policy in your department. "I'm going to ask again this year that you watch that," Mr. Sarnoski said.

Mr. Gardner and Mr. Sarnoski were both appreciative of what Mr. Ferguson had done to save in S&W and other areas. Mr. Marvin asked how grants are holding up. Mr. Olshefski said overall, the funding has been pretty level for the last two to three years.

After some discussion about it being extremely unlikely that the State Attorney General's Office would ever take over functions of County Prosecutor's Offices, this portion of the meeting concluded at 8:00 p.m.

Mr. Chamberlain said the Public Information Department hasn't produced a newsletter in recent memory, but budgets for one, so he thought that department's OE could be reduced by \$35,000. He recalled Mosquito Extermination Commission saying they could give back

\$5,000 more. Rutgers Cooperative Extension is up \$8,000 and Mr. Chamberlain thought that could be brought down to last year's level. He said it made no sense to him that the Prosecutor wouldn't be able to pay for computers out of his account.

To review, Mr. Olshefski said prior to these changes, the cuts accomplished so far total \$1,511,000. At the start of the process, the shortfall was close to \$3 million. Now, we're down to the point where we can introduce a budget utilizing the same amount of surplus, keeping the amount to be raised by taxation level and using about \$1.3 million out of the Medical Trust Account. A significant number of positions are being abolished which will be an ongoing savings.

Preliminary numbers have been received by the Board of Taxation and equalized valuation is down seven percent. Some additional savings are expected due to the Road Department's fuel upgrade not being as extensive as originally planned, but Mr. Kitchen needs a little more time to

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determine more precise numbers.

While the budget picture has improved, Mr. Sarnoski remained concerned about sustainability and tapping into the Medical Trust Account for \$1.3 million. That's \$1.3 million we have to solve for next year. He said the Warren Haven issue needs to be addressed now, in this budget. The facility's administration came to us about their situation. We are not expecting any increased revenue from the State. "I think we're in a situation, we have to address it, we have to address it now ... we can't put it off, we can't kick this down the road," Mr. Sarnoski said.

Mr. Chamberlain said he had directed Warren Haven's administration to come up with a business plan. Mr. Sarnoski said it's not possible to produce a comprehensive business plan without being able to predict revenues. "They're coming to address a situation on expenses which is all we can do as a government agency – address expenses," Mr. Sarnoski said.

Mr. Sarnoski thought the Board had to consider the suggestions presented by Laura Decker. He was not in favor of selling beds; he thought that was a privatization and that doesn't help our seniors. The only other solution was to look into contracting out hospitality (dietary, laundry, housekeeping). This is not a new idea; it has been presented to the Freeholders before.

Mr. Gardner said the Public Health Nursing Agency is faced with revenue shortfalls as well. We're one of only two counties that have a full nursing agency. "It's something that this Board is going to have to look at. I don't know which one we want to address," Mr. Gardner said.

Mr. Sarnoski said he didn't hear the sense of urgency from PHNA that he did from Warren Haven. Additionally, as discussed previously, the push in healthcare seems to be keeping people in their homes as long as possible and Warren Haven's shortfall is projected to be about triple that of PHNA.

Mr. Chamberlain compared the jail and its costs to Warren Haven. Mr. Marvin said the difference is that the jail is a mandated service required by law. Neither home health nursing nor nursing homes are mandated. Those are discretionary services offered by some of the counties.

In his opinion, Mr. Sarnoski said we've reached the limit of where we can kick this can down the road. We need to address this situation because it is going to become an ever growing burden and will be harder and harder to address our budget. We need to address this now in order to be ready for January of next year.

Mr. Chamberlain said that still wouldn't resolve a \$3 million deficit. "It's going to take a big bit out of it," Mr. Sarnoski replied.

Mr. Gardner said he agreed with Mr. Sarnoski that selling the beds was not the answer. "To me, that's the beginning of the end," he said. We've worked diligently with Warren Haven Administration to try to run the establishment the best way we can, but we can't compete with private enterprise. Thirteen other counties can't now either.

Mr. Chamberlain said he didn't think the matter would be resolved in this budget. Mr. Marvin confirmed the budget as it stands does not contemplate any of these ideas. Mr. Sarnoski said it was pertinent to this budget because in order to be sustainable for next year, we need to make up for the \$1.3 million coming out of the Medical Trust Fund. Attrition is not going to be enough.

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Attention was turned to introduction of the 2012 Budget. Mr. Gardner's opinion was that the tax levy had to stay the same. It shouldn't be raised or lowered. Mr. Sarnoski said he was much more comfortable with the budget now than when the process was started, but the sustainability issue is still on the table. We still need to decide what service to cut to make up for taking funds out of the medical rate stabilization account. That's not going to be there forever. It was decided to have the updated Budget (including CAP calculations and sustainability statement) ready for introduction at the February 22, 2012 meeting.

Budgets for the Library and Open Space were then reviewed. For the Library, Mr. Olshefski pointed out that the amount to be raised by taxation is less than the total of S&W and OE. The rate was lowered last year and valuations are down.

Regarding Open Space, Mr. Olshefski noted that \$20.5 million in reserved unencumbered funds was being carried forward. Mr. Chamberlain said this is one of the few taxes the public votes on and if the Board was ever to change it, it should be put on the ballot. Mr. Sarnoski said it's been ten years since the last Open Space ballot question; maybe it's time to reassess the program and put it back on the ballot.

Mr. Houck reported on the bond buyer index interest rates which are currently at a low since 2010. There may be an opportunity to refund some of the bond issues that we have, but the bulk of any savings would benefit the college, the State and the Open Space tax. Not to mention that the rates are volatile.

Mr. Marvin advised the Board of packets regarding the Board of School Estimate Meeting with Warren County Community College which are to be reviewed for next week's meeting.

Some members of the 6 County Coalition are under the impression that Warren is hosting the next meeting on the first Wednesday in March. He hoped the Freeholders would direct him to disavow them of that notion. They did.

With the Budget for the most part settled and introduction/adoption dates agreed upon, it was decided to formally cancel the final Budget Session.

On motion by Mr. Sarnoski, seconded by Mr. Gardner, **CANCELLED THE SCHEDULED BUDGET SESSION MEETING OF FEBRUARY 4, 2012.**

Recorded Vote: Mr. Sarnoski yes, Mr. Gardner yes, Mr. Chamberlain yes

On motion by Mr. Gardner, seconded by Mr. Sarnoski, and there being no further business to come before the Board at this time, the meeting was adjourned at 8:35 p.m.

Recorded Vote: Mr. Sarnoski yes, Mr. Gardner yes, Mr. Chamberlain yes

ATTESTED TO:

Steve Marvin, Clerk of the Board