

**MINUTES****FEBRUARY 2, 2013**

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 2, 2013 at 9:03 a.m.

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

The Pledge of Allegiance was led by Director Sarnoski.

Director Sarnoski read the following statement: **“ADEQUATE NOTICE OF THIS MEETING OF FEBRUARY 2, 2013 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.”**

The meeting began with Human Services Director Karen Kubert who came forward with Fiscal Officer Kim Francisco to provide an overview. Also in attendance in case the Board had questions on specific programs were Division Heads Shawn Buskirk, Susan Lennon and Lorraine Scheibener. Mr. Francisco began with the Adjuster's Office which is being impacted by the Involuntary Outpatient Commitment (IOC) Program. This is a State initiative which in theory should prevent admissions to State psychiatric hospitals and eventually save money. In the meantime, with two additional hearings per month plus preparation time, legal fees for the division will increase. The initial \$7,000 increase in O.E. has been revised upward to \$15,700. One avoided hospitalization would almost cover this increase.

Further detailed discussion ensued regarding the IOC Program. The Family Guidance Center applied for a grant to facilitate the program. Warren is one of five counties being implemented so far. Mr. Smith felt this was a State mandate and therefore, the State should pay. He asked that this matter be added to a list. Mr. Marvin said there are multiple examples of the Legislature doing this to us over and over again. Ms. Kubert said she would be happy to present the case of unfunded State mandates at the State level. She had written a letter previously. She was instructed to re-send the letter with an updated list and request a reply.

A different matter facing the Adjuster's Office is the State billing the County rather than the patient. Some patients do have money and are 100 percent responsible for their care. The State is in violation of the Court Order by not bothering to bill these patients. Mr. Marvin reviewed the

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convoluted nature of this area of the State's budget and the fact that the County's share of the cost of commitments has increased by 50 percent. The daily cost per bed has gone up as well. This is an expense that is inside the CAP. Mr. Gardner was going to try to get some support from NJAC regarding these matters.

One last noteworthy activity was a recent large increase in mental health record searches for gun permits. The only qualification is involuntary hospitalization. Right now, the search is a matter of looking up index cards, but the State is working on getting a computerized system up and running to make the searches less time consuming.

Attention then focused on the Division of Aging and Disability Services where "business is booming", according to Mr. Francisco. Operating Expense requests have decreased due to personnel decisions. A significant number of the workers in the division are Manpower as opposed to County employees. Care Managers maintain an active caseload of about 400 clients per month. The State reimburses the division approximately \$480,000 to help offset O.E.

When asked about the latest on the Senior Nutrition Program, Susan Lennon came forward with a detailed presentation. She said the goal is to transform what had been five underutilized Senior Nutrition Sites into three active and vibrant "Regional Hubs" that serve as much more. They would function as outreach stations and satellite offices; provide a place to socialize and participate in recreation; host educational programs and special events and provide a hot meal. Outreach satellite programming is already being implemented at the Washington and Hackettstown sites. A third proposed center would be located in the North Warren area.

Mr. Sarnoski asked about the status of a Knowlton site. Ms. Lennon said the Lions facility is desirable, but the parties have not yet been able to come to a lease agreement. It was implied that the Lions Board wanted a more lucrative contract, but "we can pay what we can pay", Ms. Lennon said. She vowed there would be a center in North Warren; there are other options in the area. Consolidating into three centers would present a bit of a challenge in terms of transportation as the program will provide transportation as required. Mr. Marvin thought it was logical that those costs would increase. Mr. Francisco said he hoped to keep transportation costs the same by implementing some park and ride locations plus some reimbursement will be obtained through Older Americans Act funding.

The Phillipsburg site was then discussed. It is currently operating out of the American Legion Bernadine-May Post which is deficient. Attempts were made to partner up with an existing senior center in town, but its governing board did not want to appear responsible for the County defunding Bernadine-May. Mr. Sarnoski wanted to see what was to happen with the North Warren site before making any major decisions about Phillipsburg. Budgeting has been based on the status quo, but if the goal of three regional centers is achieved, a savings is projected.

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The next division to be discussed was Temporary Assistance and Social Services (TASS). Mr. Francisco noted that no increases to O.E. have been requested and have actually not increased for several years. The division received in excess of \$3.4 million from the State Division of Family Development (DFD) to offset expenses. Actual receipts have exceeded budget expectations each year since 2008 resulting in a healthy surplus. While the upcoming office move will incur significant expense, part of the cost is reimbursable through DFD. It was pointed out that the new building acquisition costs can be put on a depreciation schedule for reimbursement.

These programs are serving an increasing amount of people. The Food Stamp caseload has doubled since 2007. While reimbursements have gone up, staffing levels have not. The Legal & Fraud Unit has detected 341 cases of overpayments in 2012. Mr. Francisco said they are cracking down and this is a good improvement.

The Division of Administration was next for discussion. No increases to O.E. have been requested for many years. A Capital request has been submitted for two lift-equipped vehicles. Mr. Olshefski was only recommending one for this year, but Mr. Francisco said their request was downgraded last year as well and didn't want to get into that habit. They would prefer to keep on a schedule of getting two vehicles from the County each year. Mr. Smith wondered if a lift from another vehicle could be retrofitted into a new vehicle. That had not occurred to anyone and they said they would look into it. Mr. Smith also wondered if the division had ever tried to work with the Special Services School District to use some of their vehicles in tandem. They have handicapped equipped vehicles that may have limited runs. No one had explored that possibility.

Regarding personnel, it was requested that the weekly hours of the Transportation Coordinator be increased from 35 to 40, resulting in a salary increase. Mr. Sarnoski inquired about casino revenues. Ms. Buskirk said that is not used for vehicles. Mr. Francisco said \$50,000 in other funding from the State has been dedicated to make up for the loss of casino revenues.

County funding to contracted agencies combined with State and Federal funding provides essential services as a safety net for working poor residents. In 2009, the department reduced funding to outside agencies by \$237,402 and funding has not been restored since those cuts were made. Ms. Buskirk distributed a comprehensive table of agencies including program description; level of funding; priority need and committee ranking. Discussion ensued on the topic of Peer Grouping funding. It comprises 45 percent of the Division of Administration's funding and its days are numbered. Mr. Smith said when it comes to an end, certain programs will have to be modified or eliminated. This portion of the meeting concluded around 10:30 a.m. at which time, the group took a short break.

The meeting reconvened at 10:37 a.m. with Health Officer Pete Summers and Public Health Nursing Supervisor Judy Leone. Regarding the Environmental Health Division, Mr. Summers said they had a pretty good year. Despite being down one inspector and a clerical person since 2011, the productivity has remained the same. There are an increasing number of

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restaurants to inspect which should be a good sign of the economy coming back. Inspections now focus more on practices. Electronic software was in use for all of 2012. There is a learning curve associated with it, but it's going well so far.

There is still not much happening in new construction with only twelve new septic systems along with some repairs. The number of complaints received remained about the same. A new program being implemented this year thanks to funding from the DEP is diesel inspections after hours at truck stops. Inspectors will check for violations of federal idling laws. Mr. Summers said he was very proud of the staff in response to Hurricane Sandy. They were out working to help restaurants stay open for people that needed a place to go. They also did a lot of water and ice distribution. The aforementioned Human Services vehicles equipped with lifts were instrumental in this delivery of services to the public.

Regarding the budget, O.E. has stayed down and decreased when the Plumbing Division had been abolished back in 2008. A rather detailed personnel discussion followed. The person working as an epidemiologist plans to retire at the end of the year. Mr. Summers said this position does not need to be full-time; he plans to contract it out when the time comes. There are a number of grant funded positions that are tied in with the federal sequester business. They have been told to prepare for the worst, so the department may be facing a significant cut in summer.

Mr. Smith asked some questions about requirements set by the County Environmental Health Act (CEHA) and associated costs. Mr. Summers said they contract and negotiate each year. Mr. Smith again brought up the matter of quantifying State mandates and wanted to know how much money these operations lose versus interest in the programs. Mr. Summers said he would have to get back to him in a couple of weeks. He has a number of people that work on other things and devote a portion of their time to CEHA business.

After a brief vehicle discussion, this portion of the meeting concluded at 10:58 a.m.

Next up was the Public Health Nursing Program. Ms. Leone began by expressing continued frustration regarding loss of revenue as a result of the CMS realigning Warren County into the ABE (Lehigh Valley) statistical area in 2006. Warren is the only county in the state in this statistical area; neighboring counties are in the Newark statistical area. Ms. Leone said this realignment resulted in a loss of \$310,000 last year (about 17 percent, depending on average reimbursement). The New Jersey First Act which mandates new County hires of New Jersey residents, compounds the problem. Ms. Leone said they have reached out to Congressman Scott Garrett, but he wasn't much help. She now wants to approach Leonard Lance. The Board was encouraging of this and Mr. Sarnoski said he would be in contact with Congressman Lance regardless and asked Ms. Leone to keep him apprised.

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Mr. Olshefski said the concern with PHNA is that the net cost to the County was increasing. In the years 2007, 2008 and 2009, the cost was in the neighborhood of \$1.2 million. It then jumped to \$1.5 million in 2010 and \$1.9 million in 2011. The trend reversed somewhat last year to \$1.6 million, so progress is being made. A more recent concern was the cessation of contractual relationship with Warren Hospital for per diem services once the facility was purchased by St. Luke's. The result is a spike in administrative fees. Details were provided on personnel matters, caseload and referrals from doctors, hospitals and nursing homes.

Mr. Marvin inquired about attempts for decreasing the number of readmissions to hospitals since CMS has decided to penalize hospitals for high readmit rates. Ms. Leone said patient remote monitoring has recently been reinstated after suspending the practice a couple of years ago due to the need to concentrate on generating revenue. Patients can take their blood pressure at home and the readings would be transmitted to a tele-health nurse at PHNA. So there are currently twenty patients being monitored this way according to their diagnoses which include congestive heart failure, heart attack and COPD. That was only reinstated in October and Ms. Leone said they have already seen a drop in readmission rates to the hospital for that diagnosis. Mr. Smith asked if we were charging a fee for this service since it's doing the hospital a favor. She said no, but we do get more referrals. A lobbying effort is underway as more of this home monitoring is conducted.

Home healthcare is not mandated; only the County Governments of Warren and Ocean provided these services. Mr. Smith asked how this need would be filled if PHNA wasn't the provider. There are private agencies, but it is unknown if they turn a profit. A number of these agencies are private nonprofits. It was clarified that only about half of the \$1.6 million cost of the PHNA Program is attributable to the home healthcare component. If we could get back into the Newark statistical area, that component would be much less costly. We do have to provide community health services (flu shots, etc.).

Mr. Marvin noted that Karen Ann Quinlan sold its home healthcare business to Atlantic Healthcare System which is a prospective purchaser of Hackettstown Regional Medical Center. He wondered if we could expect referrals to go down if that purchase goes through. Ms. Leone said no because they have Newton Hospital as well and we still get referrals from there. The patient has the right to choose. It is a regulation that the discharging entity must give the patient a list of available providers. Mr. Smith said that may be so, but he felt that major conglomerates can "stack the deck against you". She admitted that she has to stay on top of it and follow up at times.

The matter of the statistical area was revisited. Ms. Leone and Mr. Summers thought there may still be a window of opportunity to seek reclassification and hoped Congressman Lance would be willing to help. Mr. Sarnoski said he would be seeing Mr. Lance on the 20<sup>th</sup> and asked Ms. Leone to see what she can do and get back to him prior to then.

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Regarding Capital, PHNA requested two vehicles; one was recommended and Ms. Leone said that was fine. Mr. Gardner thanked Ms. Leone for a great explanation of the program. This portion of the meeting concluded at 11:35 a.m.

Mr. Marvin reminded the Board that the Technical School is on the agenda for the following Wednesday's Budget Session. Mr. Gardner is unable to attend. Our draft budget for their O.E. appropriation has held the line for a number of years, but the big issue with them is Capital requests. We have no money set aside for any projects for WCTS. Also at this meeting, Mr. Marvin wanted to go over a summary of departmental personnel requests including a retirement schedule.

After that, only one Budget Session remains to wrap things up. Next Saturday, decisions should be made regarding the Open Space Tax Rate, County Tax Rate and which Capital projects are to be funded for the current year. Mr. Sarnoski thought the Board would be ready to make final decisions if provided with all the most up to date information by Wednesday. Mr. Gardner requested a later start time on February 9; it was decided to aim for a 9:30 a.m. start.

On motion by Mr. Gardner, seconded by Mr. Smith, and there being no further business to come before the Board at this time, the meeting was adjourned at 11:40 a.m.

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

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