

The Board of County Commissioners of the County of Warren met in Budget Session in its offices in the Wayne Dumont, Jr. Administration Building, Belvidere New Jersey on January 5, 2022 at 6:00 p.m.

The meeting was called to order by Director Sarnoski and upon roll call, the following members were present: Commissioner James Kern and Commissioner Jason Sarnoski. Commissioner Lori Ciesla would arrive later. Also attending were County Administrator Alex Lazorisak, County CFO Kim Francisco and Deputy Commissioner Clerk Holly Luberto.

After leading the flag salute, Director Sarnoski confirmed with the County Administrator that the meeting notice complied with the Open Public Meetings Act, Chapter 231, P.L. 1975. He then turned to County CFO Kim Francisco for an initial overview of 2022 budget ordinances and proposals.

Mr. Francisco began by reviewing notices from the Division of Local Government Services. The Cost-of-Living Adjustment (COLA) for 2022 was 2.5 percent, the maximum allowable increase to the property tax levy to comply with budgetary cap laws. However, the cap may be increased to 3.5 percent as long as the Commissioners adopt a resolution increasing appropriations and banking any unappropriated balance, which has been our practice and what we intend to again this year. The second notice had to do with deadlines, being introduction by March 31 and adoption by April 29, 2022. Mr. Francisco hoped to introduce this year's budget in February, with final adoption in March.

Mr. Francisco presented a Budget and Tax Levy Analysis dating back to 1977. Last year was the first time the county purpose tax had been raised since 2015. Ratables were up, which was helpful. The only debt service on the books was Chapter 12 funding for Warren Community College.

A Surplus Analysis, illustrating the amount of surplus utilized each year dating back to 2015, was reviewed. The funds are replenished each year. The county was no longer utilizing money from the Warren Haven sale, which had been spread out over five years, ending in 2020.

Mr. Francisco said 2021 had been a good year for revenues, with the County Clerk and Sheriff exceeding revenue expectations. However, with respect to Sheriff Sales, he expected the bubble to burst and preferred to keep revenue projections conservative for the year ahead. The agreement to take in Hunterdon County inmates also exceeded revenue expectations. Last year (2021) was the first full year of the agreement's implementation. Revenue from Motor Vehicle fees were down.

This past summer, Warren County received just over \$10.2 million in funds thanks to the American Rescue Plan. This was uncharted territory for everyone, and the final rules were still unclear. “We’re not sure exactly how we’re going to use it, but the money is available and we’ll figure it in the next month – before we produce our budget,” Mr. Francisco said. He explained that “revenue loss” was eligible, so a calculation of losses from 2017-2021 (an anticipated \$7.8 million) can be utilized for “General Government Services” in the 2022 budget. These funds cannot be put toward pension costs or to build surplus. Mr. Francisco thought one-time capital projects would be a prudent use of these funds.

Attention then turned the 2022 county budget as proposed, broken down by department/category. Mr. Francisco reminded the Commissioners that the budget call letters to department heads requested they keep things flat, which most did, but he proceeded to point out some appropriation highlights, including the following:

- Economic Development Committee: reverting to 2020-level funding after increasing it last year for small business assistance that didn’t work out.
- Board of Elections: increase to S&W because of early voting, but it would be recouped from the state.
- Finance: increase due to transferring the staffer who administers the Finance Plus database system in from Information Systems.
- Property, casualty and liability insurance remained flat.
- Medical insurance increasing to cover self-insurance claims; employee contributions will be raised also.
- Emergency Management continuing to budget \$250,000 for COVID-related expenses, to be submitted to FEMA for reimbursement.
- Fire Academy: requesting a 20 percent increase.
- Prosecutor: requested increase of one percent above the constitutional cap, but permissible by resolution.
- Buildings & Grounds: increases to S&W due to new Public Works Director, as well as OE for materials and service contract increases.
- Mosquito Commission: slight increase for pension and healthcare costs.
- Utilities: about the same.
- Public Health Nursing: increase to cover two new P/T contracted nurses. We will try get this back through COVID grants.
- Environmental Health: seeking additional funds to cover an increase to its lab-testing contract, and endeavor to get septic records online.
- Senior Nutrition Program: requesting increase for contracted employee to assist meals at home program.
- Bill for patients in State Psychiatric Hospitals: this number keeps increasing,

due in part to more commitments. This in turn is causing the budget for the County Adjuster to go up because it is incurring more legal fees.

- Warren Community College is seeking \$100,000 for a new position.
- Warren County Technical School: at the last moment revised its budget request upward from a two percent increase to five percent, but was seeking nothing in capital.
- Pension payments: both PERS and PFRS were increasing.
- Debt service: about the same as last year and will be paid off in 2025.

Returning to the big picture, Mr. Francisco reminded the Commissioners that in 2021 we raised the tax levy by two percent (\$1.4 million), resulting in an increase of just a fraction of one cent. He proposed keeping the tax rate the same for 2022. While the final numbers had not yet arrived from Tax Administrator, he anticipated that this same rate applied to a larger ratable base would result in an additional \$1 million in revenue.

The budget as presented today was \$10.6 million higher than the prior year (\$8.4 million of this total was for capital expenditures). The increase would be offset by a combination of American Rescue funds, additional surplus, increased anticipated revenues, and increased ratables. This will leave us with a healthy surplus, and the average taxpayer should not see an increase.

Mr. Francisco presented an overview of the Capital Improvement fund, which would be examined more closely at a subsequent budget meeting. The Open Space fund was maintaining a healthy balance, enough for about 12 years' worth of projects. "Plenty of money in there," Mr. Francisco said, adding that he and the Administrator recommended keeping its rate at two cents.

The Library budget was discussed. Extra money from increased ratables would be put toward improvements to the Catherine Dickson Hofman (CDH) Branch; debt service for the Southwest Branch would be retired after this year; Phillipsburg was making payments as agreed; and the Library would have a total of \$2 million to put toward CDH renovations.

Commissioner Lori Ciesla arrived at 6:30 p.m.

"I think we're in good shape," Mr. Francisco said, concluding his overview.

Mr. Kern asked if American Rescue funds could be put toward Public Safety's support of emergency squads. Mr. Francisco said "General Government Services" was

a broad term, and it probably would be permissible, but he emphasized that these funds should be utilized for one-time expenses, rather than a budget item that would be expected to continue. “Just make it clear it’s a one-time thing,” Mr. Francisco advised.

Mr. Sarnoski thanked Mr. Francisco, saying his presentation contained a lot of positive news. While the intention was move through the annual budget process more quickly than in prior years, he still wanted to hear from Health Officer Pete Summers regarding his budget. He was particularly interested in the online septic proposal, hoping it would result in a quicker approval process. Mr. Lazorisak said he would try to schedule him for the January 15 meeting.

Budget overview now complete, Human Services was the first department to come forward, with Department Director Shawn Buskirk beginning her budget presentation at 6:37 p.m. She thanked the Commissioners for their support and reminded them that the department was comprised of three divisions: Administration, Aging & Disabilities Services, and Temporary Assistance & Social Services (TASS).

Ms. Buskirk began with the Division of Administration, noting its OE budget requests were flat. Regarding capital, they had asked for a new vehicle in 2020 for the paratransit program but had not yet purchased it, and hoped to utilize those funds in 2022 for the same purpose. Mr. Kern informed Ms. Buskirk of the county’s new endeavor to electrify its fleet to some degree, advising her to consider inserting language into potential contracts or bids to see what vendors may be doing in terms of options here. “More to follow, I just wanted to put that on your radar,” he said. The Board was supportive of the vehicle purchase, and Ms. Ciesla asked about the vehicle market outlook now, whether it was still difficult to purchase them. Mr. Lazorisak said he presumed so, as with other industries. He also noted increasing prices, and thought it would be advisable to budget 20 percent more for new county vehicle purchases.

The Division of Administration continued to fund outside agencies – contracted programs that serve vulnerable populations – at the same level as the prior year. Eighteen agencies representing 33 programs were being funded to help address the following categories: mental health, addition, youth, transportation, human services, aging.

Discussion regarding the Office of the Adjuster followed. Major changes included the loss of two people in what had been a three-person unit. While requests for gun permits had decreased due to a change in the process for mental health searches, Mr. Sarnoski expressed concerns about increased workload in the future if gun permits were to be reviewed every five years. He was interested in the total number of permits on file.

As Mr. Francisco had mentioned earlier, legal fees were escalating because of increased involuntary commitments to psychiatric hospitals. Further, stays have been longer due to COVID. In terms of reconciling the billing from the state, the division had a backlog of about 50 cases dating back five years. Mr. Lazorisak said getting back on track had to be a priority, and advised Ms. Buskirk to backfill positions in that unit.

The Division of Aging & Disabilities Services was next, with new Division Director Steve Unger presenting his first budget to the Commissioners. This division performs the following major functions: Aging & Disability Resource Connection (ADRC) - intake, screening and assessment for the community; coordinating contracted services/community partner agencies; operating four senior centers that provide meals, as well as home-delivered meal programs; care management/adult protective services; counseling regarding State Health Insurance Program (SHIP) and Medicare.

Much of the discussion pertained to the Congregate Nutrition and Meals at Home programs. Both provided an invaluable safety net for vulnerable populations. Senior nutrition sites had reopened last July after being closed for 16 months in response to the pandemic, and were about to close again until further notice. However, the sites continued to operate to provide pack-and-go meals for pickup. A partnership with the Phillipsburg Area Senior Center continued to grow, with an MOA in effect, and rent costs for the other three sites remained stable. The budget to operate these sites remained stable.

The Meals at Home program expanded due to the pandemic, more than doubling the number of meals served in one year (2019-2020), increased again in 2021, and more growth was projected for 2022. The contracted rate per meal went up as well. Mr. Unger requested additional funding to augment delivery capabilities. He said volunteers were wonderful, but not always reliable - especially during COVID - and hired drivers were preferred. Mr. Sarnoski wondered if the situation would resolve itself once we get past COVID. It would be reevaluated year by year.

Regarding other personnel, Mr. Unger said 2021 was a year of challenges, and filling vacancies was difficult. He presented justification to create a full-time Manpower bi-lingual position. Mr. Lazorisak said Mr. Unger hit the ground running when he took over the division in the midst of COVID and was doing a great job.

TASS Division Director Lauren Burd was next. In 2021, she said TASS collected just over \$4.2 million in state reimbursement, barely exceeding its goal. The OE for 2022 was flat. Approximately 50-75 percent of TASS county budget line items

would be reimbursed by the state. In 2015, the Division of Medical Assistance & Health Services (DMAHS) began issuing increased quarterly payments to County Welfare Agencies (CWAs) for each new application redetermination resulting in approval. Medicaid match also increased for Medicaid positions. Ms. Burd provided details on increased revenue from Medicaid ever since, as well as reducing case backlogs from 26.02 percent in 2016 down to a fraction of one percent near the end of 2021. DMAHS moved to a new incentive and penalty program effective January 1, 2022, and Ms. Burd explained the different components and criteria. Despite the pandemic and remote work situation, TASS was able maintain timeliness and revenue goals. In the future, when the division moves to a new building with kiosks, it will be able to realize even more bonus incentives.

Ms. Burd was also proud of scanning and indexing files, resulting in no paper case files, no retention, no storage costs and increased space. They destroyed about 100 boxes of paper files in 2021. The CWA budget resolution would be on the agenda for the January 26, 2022 meeting. Mr. Sarnoski thanked Ms. Burd for keeping the promises she had made years earlier when she submitted a plan to create efficiencies and generate more revenue. "It really helps us now," he said.

The group took a break at 7:41 p.m., reconvening at 7:52 p.m. with Information Systems (ISD) director Bob Sidie, whose budget was basically flat. Mr. Sidie began by recapping a very busy 2021, noting the following achievements in his department: set up a hotline that received 15,000 calls from people seeking help obtaining services relative to COVID-19; installed security cameras and card reader door locks at six locations; and ID cards had been issued to about 90 percent of staffers in the Administration Building. He planned to continue that effort in 2022, budgeting to implement security cameras at the Health Department, Cummins Building (Board of Elections) and two more library locations. Mr. Lazorisak said these security measures offered good protection in terms of liability. There was a brief discussion about looking into having the library budget pick up some of the cost for security upgrades at library facilities.

Regarding personnel, Mr. Sidie had two people on the HelpDesk, two people offering Tier 2 support, and county employees. He lost one employee to retirement in 2021 (Principal MIS), which he requested abolishing and replacing with a Technician MIS title (Level 1 as opposed to Principal). The ISD HelpDesk operates 7:30 a.m.-5 p.m.

Mr. Sidie provided details on desktop and laptop replacements and upgrades, and the need to put money away for future laptop replacements; testing of SDWAN (Software Defined Wide Area Network); implementation of a new centralized fax

server; hardware to support new SIP signaling in our phone system, which provides redundancy for the Cummins Building; enhanced security for Board of Elections (Albert device); and an InfoShare cloud component update for the Prosecutor's Office.

"It was a busy year," Mr. Sidie said. He was able to utilize COVID relief grant funds to purchase 100 laptops. In the coming year, the county had to upgrade to Windows 11 and Microsoft Teams.

Mr. Sarnoski was appreciative of all ISD had achieved, including tech upgrades to this meeting room and the smaller conference room adjacent to it. Mr. Kern was interested the camera high up on the opposite wall facing the Commissioners, which had been used to livestream a previous offsite meeting. He hoped to see it operational and able to broadcast meetings one way, moving away from WebEx meetings in the future. Mr. Sarnoski shared that goal, but he wanted to make sure people could hear the audio, since it was not wired into the amplification system.

Mr. Lazorisak asked about projected savings once Narcotics moves to Warren Acres in the near future. Mr. Side thought about \$50,000 per year. Mr. Kern thanked Mr. Side for everything, especially for being an integral part of the county's response to COVID. Mr. Sidie thanked the Commissioners for their support. This portion of the meeting concluded at 8:20 p.m.

Land Preservation was next. Mr. Francisco said Mr. Tierney did a nice job stretching the county's money, getting the state, municipalities and Highlands to pay toward preservation projects. Mr. Tierney went over a handout of data and charts, noting he submitted a flat budget and his department had a good year despite challenges. Twelve farms, just shy of 1,000 acres, were preserved in 2021. Open Space turnover remained stable. Only three applications were submitted to the Municipal & Charitable Conservancy Trust Fund Committee (MCCTFC) last year, which he was carrying over to the coming year. He wasn't sure if the Commissioners wanted to roll over that unspent budget amount, or wipe it clean. Discussion ensued, with Mr. Lazorisak mentioning additional sidewalk improvements in Belvidere expected to cost about \$150,000. Mr. Tierney did not expect a surge in applications.

Most of the Open Space balance was in the Farmland account. Mr. Tierney said they had been drawing about \$1 million per year from that account, and he expected that number to go up slightly. He talked about a few farms located in the Pohatcong Valley groundwater contamination area, and his attempts to obtain some funding from the State Agriculture Development Committee (SADC) and Highlands for those. The County Agriculture Development Board (CADB) intended to request the county proceed with those projects with 100 percent county funding. Two appraisals found no

diminished value, but the SADC did not accept that. Mr. Sarnoski noted that state funding was starting to diminish, and municipal funding was really shrinking, which he found very disappointing. “Everyone’s looking at the county, but these municipalities have completely abandoned their Open Space programs or Farmland Preservation programs, and then everyone comes to the county for preservation while the municipalities are doing large developments that the residents are complaining about,” he said. Mr. Tierney concurred, and explained that the county has stepped in to help close projects for which the SADC had granted money to the towns, rather than having the money be refunded to the state. The county’s share of funding remained the same, but utilized a different pot of money. Some municipalities have been reducing their Open Space tax, or diverting it to recreation, resulting in them not having funds available for Farmland Preservation. “We’ve worked with them, but as you can see in the chart, their participation is way down,” Mr. Tierney said. While in favor of continuing our preservation programs and fully funding the Pohatcong Valley farms already in the pipeline, Mr. Sarnoski said, “I really think we need to push back on some of these municipalities that are looking for Open Space preservation without their assistance.”

Discussion ensued, with Ms. Ciesla and Mr. Kern agreeing they would like to see municipalities pay their fair share, and that some were putting resources toward recreation rather than farmland. Mr. Tierney said in a typical municipal Planning Incentive Grant (PIG) application, the state would contribute 60 percent, the county 20 percent and the municipality 20 percent. There had been a few cases when the town couldn’t come up with that 20 percent, and asked us to kick in that 20 percent - bringing the county cost share to 40 percent – which is as it would be if we went through a county PIG process.

Mr. Sarnoski appreciated the great job this department was doing under Mr. Tierney’s leadership, and these were questions we need to keep asking ourselves. Each year the Commissioners reevaluate the allocation to the three areas of Land Preservation (Farmland, Open Space and MCCTFC). Regarding MCCTFC, Mr. Sarnoski said we have to remember that maintenance comes along with that. “Who’s keeping them open, who’s making sure the public has access, how does the public have access, do we have a maintenance program?” he asked, wondering if some may be going to waste.

Right to Farm matters were becoming more prevalent, and the rules and procedures were not as clear as with land preservation. It was agreed to keep the funding level at two cents, or about \$2.2 million. With debt service dropping off and ratables increasing, this funding would go further than last year.



With the county's bicentennial celebration coming up, Mr. Kern thought maybe funding should be directed to the MCCTFC for that purpose. The Commissioners agreed that the Bicentennial Cultural & Heritage Advisory Board should start planning now. Mr. Sarnoski said he had relayed that message to a couple of members, and Ms. Ciesla said she had some ideas to share with the board. Mr. Lazorisak suggested considering hiring a consultant to help with such a large undertaking, even though the board did not yet seem to have set any expectations. "Warren County is turning 200, we need to celebrate that," Mr. Sarnoski said. "But what are they looking for, what are their goals?" This would be the third year funding the board at \$10,000 per year. Ms. Ciesla said they should start seeking donations now. Mr. Kern thought it was a good idea to bring on an event person once goals come into focus.

After a bit more discussion regarding public access to preserved historic sites, this portion of the meeting concluded.

There were no questions or comments from the public.

On motion by Mr. Kern, seconded by Mrs. Ciesla, and there being no further business before the board at this time, the meeting adjourned at 8:52 p.m.