

*\* These minutes were approved by the Board of County Commissioners on March 23, 2022.*

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 15, 2022 at 9:00 a.m.

After a slight delay caused by technical difficulties, the meeting was called to order by Director Sarnoski at 9:10 a.m. Upon roll call, the following members were present: Commissioner James Kern, Commissioner Deputy Director Lori Ciesla and Commissioner Director Jason Sarnoski. 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.

Mr. Sarnoski turned to Mr. Francisco for updates to the budget overview, but he had nothing new at this time, deferring to Dr. Austin to begin his presentation.

Attention turned to Warren County Community College (WCCC) President Will Austin and Board of Trustees Chair Yvonne Reitemeyer, as well as a robot they brought along for demonstration purposes. Dr. Austin proceeded to go through a PowerPoint presentation, beginning with WCCC's tuition and fees compared to other area community colleges (Sussex, Raritan Valley and Morris); a historical overview of county funding to WCCC; and the following revenue assumptions:

- County support: \$2,455,963 (26 percent of total anticipated revenues)
- State support: a new, untested funding formula (28 percent)
- Tuition & fees: 39 percent – no tuition increase
- Other (rental income, investment income, etc.): 6 percent

Expense assumptions were reviewed, with Dr. Austin advising that with the exception of one additional person, staffing would remain at 2020 levels. He anticipated an increase to pre-COVID spending in certain areas for resumption of in-person services, as well as an end to federal COVID subsidies, with an unknown amount to be returned. Also included was support of Robotics/UAS (Unmanned Aircraft Systems) initiatives to leverage external grant backing.

Dr. Austin spoke extensively about the role of robotics in the commercial service industry, introducing Flippy the robot, which moves along a rail system that

can be installed over the hoods of grills and fryers. He said this “zero-footprint upgrade” was available for \$30,000 – half the cost of its original 2021 price tag – and provided calculations showing its economic feasibility versus the cost of employees. Dr. Austin said another robot - VTOL (vertical take-off and landing) aircraft – would be capable of replacing three Mastered Degreed Engineers, each earning in excess of \$80,000/year. Professional robots can even perform surgeries. Dr. Austin predicted that 50 percent of all current jobs could be automated as early as 2030, and was expanding partnerships to help increase the following program areas:

- Robotics – remotely piloted vehicles
- Water – use Highlands as an advantage
- Agriculture – high tech
- Emergency Services –high tech

One such partnership was an agreement with Embry-Riddle for transfer, flight training, equipment sharing and research. The college was planning a robotic center facility – to be named the Dr. Joseph Warren Robotic Center – and was grateful to the county for its support.

Returning to budget numbers, Dr. Austin explained that the amount of operating aid requested of the county included \$225,000 for the dual enrollment subsidy, and the \$75,000 increase over the prior year’s request was to put toward hiring one Artificial Intelligence (AI) faculty member.

Regarding capital, the college requested that previously distributed funds - \$187,181 earmarked for an HVAC project, which they were able to finance with COVID grant money - be reallocated to community recreation fields (Commissioners Park). After a bit more discussion, including a brief COVID report, which the college weathered quite well, Dr. Austin concluded his presentation at 9:42 a.m.

Mr. Sarnoski was pleased with the presentation, and asked if the Technical School would be able to use the park. Dr. Austin said yes, but the ball fields being built were not designed for collegiate sports, would not have lighting for night games, and were intended for use by the college and community. WCTS may have to comply with state athletic requirements, but perhaps students could use it as a practice field. The park would be leveled out and able to continue to host balloon events there. The fields were expected to be complete and ready for use by this summer.

While WCCC's budget requests exceeded a two percent increase over the prior year, Mr. Sarnoski thought the justification was reasonable. He hoped that next year, the college would stay within two percent or present a flat budget. Dr. Austin couldn't promise, but said, "My goal every year is to come here and ask for nothing."

The merits of the dual enrollment program were discussed, how it can save families tens of thousands of dollars in college costs, and it was unfortunate that more high schools were not taking full advantage of the opportunity. Dr. Austin explained that the high school students did not pay, but were charged a \$1 receivable paid by the WCCC Foundation. Ms. Ciesla thought there should be higher awareness about the program.

Ms. Ciesla was delighted that the ball fields would be opened up for the community to use, and was supportive of WCCC's pursuit of technology. "We need to compete," she said, "Right now we are not competing with the rest of the world with anything that has to do with technology... even if this is a small step into that, so I thank you for that."

Mr. Kern thanked Dr. Austin for the thorough presentation. He thought the recreational fields would be beneficial to the community, and was happy that WCCC would be ready for changing technology. He alluded to previous conversations about partnering with the local law enforcement community, which he thought was going to be fantastic. "The Community College continues to find a way to be in the community in every single way possible," he said, "This is a great return to not just the students of Warren County, but the entire county as a whole."

Mr. Francisco said he would increase the college's OE by \$75,000 per its request, and the net increase to its capital bottom line would only be \$13,000. "That's awesome," Ms. Ciesla said. This portion of the meeting concluded at 9:54 a.m., followed by a brief break.

Upon return at 10:01 a.m., the Library was next on the agenda. Library Director Maureen Baker Wilkinson was in attendance. Mr. Francisco reminded the board that in 2021, the library tax rate was kept the same as the prior year (.0502), but the county collected about \$73,000 more in tax revenue than in 2020 due to the increase in ratables. He advised keeping the rate the same for 2022. Debt service for the Southwest Branch would be paid off at the end of 2022. This budget included \$2 million to be put toward CDH Branch renovations, including money unspent from last year.

Ms. Wilkinson said the system had been operating with far less staff than before the pandemic, but she didn't know how long that would be sustainable. Mr. Sarnoski said he had been getting feedback from people wanting to get back into the libraries and return to public, in-person meetings. Mr. Lazorisak said they had been following COVID guidelines set by the task force, and it was hard to answer when the libraries would return to normal hours, but he expected by March 1.

Regarding staffing, filling positions had been challenging. Ms. Wilkinson said she was losing people with higher qualifications because we are not paying them enough, and we lost a lot of talent due to COVID. The staffers who just check materials in and out stay, but the nature of libraries has changed, and there were higher expectations.

Mr. Lazorisak asked about the line item for books, magazines, newspapers, digital, etc., with the budgetary request far higher than last year's expenditures. Ms. Wilkinson said they "drastically underspent" on print materials in 2021. She put more resources toward digital, and cut back on "B-list books" that people would normally see walking around. She talked about digital licensing fees, mentioning spending \$100 for one item that would expire after two years. Digital resources were gradually taking over, and COVID sped up that trend. Patrons that used to borrow DVDs were now going digital, for which the library had to pay per use. In-person programming converted to online, and the programs had been very popular with adults, but less so for kids. One of the nice things about online programs was being able to have speakers from all over the country. Mr. Francisco did not recommend cutting the budget, saying we needed to get through COVID and get back to normal.

Back to personnel matters, Ms. Wilkinson said they did away with the Student Assistant title, partly because of the minimum wage increase. Mr. Lazorisak wanted to see a breakdown in terms of positions and turnover over the past three years, and thought this was the year to streamline, realign titles and abolish some. Mr. Sarnoski said we should not have titles out there for which we are not hiring, and digital was taking over for people. This portion of the meeting concluded at 10:34 a.m.

The Fire Academy budget was briefly revisited. Mr. Lazorisak said he had reviewed the numbers in more detail, including looking at the instructors, and considering was Dennis Riley overseeing the operation now, he supported this budget. Mr. Sarnoski was pleased with the OE breakdown, but had been concerned about the SW. Mr. Lazorisak thought the SW may turn out to be substantially less, and expected the numbers to stabilize this year.

Moving on to the Capital Improvement Program, County Planner Dave Dech had requested \$200,000 for traffic impact studies, and Mr. Sarnoski said he wasn't sure he was on board with this. He said we have already identified where some improvements were needed, and he would prefer to spend money on the improvements themselves, rather than looking for more. Mr. Kern said while he agreed to some extent, this was a far-reaching problem affecting areas beyond the roads mentioned in Mr. Dech's letter. He said this is not just a Warren County problem, and when it comes to financing improvements, developers and other funding sources should be explored. He wondered about the Highlands Preservation area, its legal definition, and what road improvements were allowable from that perspective. After a bit more discussion, it was decided to leave the budgeted amount intact for traffic impact studies throughout the county, rather than the specific roadways and intersections mentioned in Mr. Dech's proposal.

Regarding proposed upgrades to the Technical School, the Commissioners decided not to grant any additional money for capital improvements to the school this year. Mr. Sarnoski said they need to have a discussion with us before they start spending. Mr. Lazorisak suggested a five-year plan and feasibility study with realistic estimates, in coordination with our Public Works Director, which will become our working document going forward.

County Health Officer Pete Summers arrived, and discussion relative to the Health Department commenced at 10:53 a.m. Both Environmental Health and Public Health Nursing were increasing (roughly 5 percent and 9.5 percent, respectively). Consulting services and lab testing fees were going up. Years ago, all septic records had been scanned in. Mr. Summers had obtained a proposal from a government management software company, GovPilot, to get all those records online, so people wouldn't have to request the records. He said it would include a GPS base map, so people could probably access the records without knowing Block and Lot numbers. This would be a separate website linked to the county website. GovPilot had offered a countywide license, charging per module.

Mr. Sarnoski asked if people could see the status of their approval. Mr. Lazorisak said the program would have to include notes regarding status, to help determine where the holdup may be. The commissioners were in favor of putting money aside for this, but thought it should be on a higher, more "global" level to encompass other OPRA requests and additional records and approval processes. It was noted that Camden County utilized GovPilot. This was a subscription service, and could not be classified as a capital expense. It was eventually decided to budget \$50,000 in Information Systems to begin pursuing this endeavor.

The Health Department had requested two new vehicles. Mr. Kern thought this would be a great place to start the fleet electrification undertaking. Mr. Summers said it would work for his department, assuming a charging station would be available nearby. Inspectors go out and come back.

Regarding personnel for the department, Mr. Summers requested merit increases for some of his employees, and was seeking to augment his communicable disease staff with two part-time nurses. Grant funds were expected to come in over the next two years. Mr. Sarnoski preferred to utilize Manpower staffing for the next two or three years, rather than adding permanent employees this year.

In conclusion, Mr. Summers said restauranteurs throughout the county were appreciative of the suspension of food license fees the Commissioners enacted during COVID lockdowns. This portion of the meeting concluded at 11:17 a.m., followed by a short break.

Upon return at 11:20 a.m., the list of personnel requests was distributed, which included proposed promotions, salary adjustments, status changes and new positions, along with administration's recommendations for approval. After going over some details, Mr. Sarnoski said he was okay with the requests as recommended, but wanted money put aside for unclassified employees, with details to be determined later. The Personnel Director had been reaching out to other counties to compare notes, and Mr. Sarnoski said he was going to work with Mr. Lazorisak to get unclassified salaries "more in line with reality."

A memo from the Pequest River Municipal Utilities Authority requested increased stipends for all members. While it was agreed there were good people on this board and its officers did have additional responsibilities, the increases requested were reduced for each member. The bottom line was a total of \$9,000 more in stipends for the entire board.

Regarding the cap, Mr. Francisco said the budget was in compliance except for the Prosecutor's Office. A resolution was required to exceed the cap. While he had not done one of these before, it was standard practice, and he would prepare a resolution for budget introduction.

A number of capital improvements were slated to be funded by the American Rescue Plan this year. Mr. Francisco said these had to be nice, clean, finite projects that could be completed within the year. These included a few special vehicles and equipment purchases for the divisions of Bridges, Roads and Buildings & Grounds; technology upgrades for the Office of Emergency Management; GIS software and

equipment for Planning; Courthouse asbestos abatement; exterior repairs and tech upgrades to the Administration Building; a fire hydrant replacement at the Fire School; new front entrance at the Communications Center; security surveillance systems at county buildings; and partial construction for drainage improvements to CR 659 (Spring Valley Road). Local emergency squads would be granted a one-time raise in response to COVID. A Phillipsburg law firm was contracted to advise and provide guidance with this grant, and would be paid out of the grant. The American Rescue Plan would fund a total of \$3.4 million in projects this year. Mr. Francisco said this allows us to save our own money for future capital.

Mr. Francisco reviewed the overall budget, presented today as \$95.6 million. “There really weren’t too many changes since the very first day,” he said. He was going to adjust WCCC slightly based on today’s presentation; would shift some funds from the Health Department to IT (software – GovPilot) as discussed earlier; and was projecting an extra \$1 million in increased ratables. The amount to be raised by taxation was \$72.4 million. This budget was utilizing \$10.3 million in surplus, but we replenished \$12.8 million.

“So we’re still very conservative,” Mr. Francisco said. He advised increasing the county’s S&W account by \$200,000 to build a base as mentioned in the earlier Personnel discussion, and wanted to put another \$1 million in the capital improvement fund to go in reserve to be put toward the library next year. In addition to the money already set aside, the county would have \$7 million available for library renovations in two years. “That’s outstanding,” Mr. Lazorisak said. Mr. Francisco agreed, and confirmed that the library was going to pay us back. The correct term was “interfund” between the current fund and the library fund.

The tax rates were remaining the same as last year for the County, the Library, and Open Space. “For every resident out there whose houses are worth the exact same as they were worth last year, their taxes from the county are going to be the exact same as they were from last year,” Mr. Sarnoski said. “That is correct,” said Mr. Francisco, unless revaluations or other changes to assessments had occurred.

“You’ve done a great job,” Mr. Lazorisak said to the Commissioners, noting they held the line, while establishing an additional unit in the Prosecutor’s Office, providing additional services. The budget was to be introduced at the board’s February 23 meeting and adopted at the March 23 meeting. Mr. Kern thought it might be a good idea for the Prosecutor to be present at the time of budget introduction to help explain the new unit and necessity to exceed his budgetary cap.

“Kim, thank you so much for all the work you’ve done on the budget,” Mr. Sarnoski said, and was grateful to Mr. Lazorisak as well. He was pleased to have gotten through the whole process in three meetings. There was general agreement among participants that it was preferable to work fewer, longer days and finish the process earlier.

Ms. Ciesla thanked her colleagues on the board for laying the groundwork for these budgets in prior years. “It makes it very easy,” she said.

There was no need for Executive Session.

Under Closing Public Comments, Sarah Hare of Hope expressed gratitude for the Commissioners’ due diligence, saying she was “blown away” by all the effort, energy and time devoted to this process. She was happy to know that more resources were being devoted to address ongoing traffic issues. A public school teacher, she pleased to hear about plans to raise salaries, noting she would love to teach here in the county, but the pay was not as competitive. “It’s something to always be aware of,” she said.

Ms. Hare asked what the Florio, Perrucci, et al. law firm was doing to help with the American Rescue Plan. Mr. Francisco gestured that the ARP was several inches thick. “They will be giving advice as to what is allowable, what isn’t allowable, there are reporting requirements... a lot of towns and counties have hired consultants for professional advice to help keep us in line,” he said. The last thing we want is to spend the money incorrectly and have to pay it back, known as a “claw back”. Mr. Lazorisak said, “Going this route, we’re indemnified, they’re indemnified.”

Ms. Hare asked about the county’s recently announced Environmental Advisory Committee, and if members would soon be announced. After getting through the budget, Mr. Kern said there were many applications to review, which he intended to go over with the directors of Public Works, Planning and Land Preservation. He envisioned equity among the municipalities. He thought perhaps in March.

Mr. Sarnoski thanked Ms. Hare for coming, and he appreciated her positive feedback. “What the public doesn’t realize is that I would say 50 percent of our year gets done in the first month or two at these budget meetings,” Mr. Sarnoski said, “This is really where we decide the direction for the rest of the year... after that, it’s approving the money we’ve already allocated.” He said we are trying to be careful with the taxpayers’ dollars while fulfilling a duty to serve and provide services as

best we can. “We are thinking constantly about all our towns,” he said.

On motion by Mr. Kern, seconded by Ms. Ciesla, and there being no further business before the board at this time, the meeting was adjourned at 12:14 p.m.