

## MINUTES

**JANUARY 5, 2019**

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 5, 2019 at 9:00 a.m.

The meeting was called to order by Director Sarnoski and upon roll call, the following members were present: Freeholder James Kern, III, Freeholder Richard Gardner and Freeholder Jason Sarnoski. Also attending were County Administrator Steve Marvin, County CFO Dan Olshefski, Fiscal Analyst Kim Francisco and Deputy County Administrator Alex Lazorisak.

The Pledge of Allegiance was led by Director Sarnoski.

Mr. Sarnoski read the following statement: **“ADEQUATE NOTICE OF THIS MEETING OF JANUARY 5, 2019 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. Sarnoski bid everyone a good morning and welcome to the first budget meeting of the year. Attention then turned to CFO Dan Olshefski to present an overview.

Mr. Olshefski was happy to say the County is in a great financial position this year, and likely the envy of many municipalities and counties throughout the state. In reviewing the year 2018, revenues continue to trend up in the County Clerk’s Office, Sheriff’s Office (foreclosures), investments (higher rates, rolling CDs), and continuation of the Transportation Trust Fund. TASS and Division of Aging are realizing anticipated revenues that are remaining stable. Unanticipated revenues were received from Covanta (though that will cease this year), a reimbursement due to a nursing home miscalculation, and Warren Haven proceeds. These funds will all go into surplus. All departments’ OE (Operating Expenses) came in within budget and there were no surprises in appropriations.

Medical appropriations for active and retired employees remained flat, as have other insurances. Increases in pension obligations in 2019: 4 percent for Public Employee Retirement System (PERS); 14 percent for Police & Fire Retirement System (PFRS). In 2018, there were three contract settlements in PFRS and two in PERS.

Credits for reconciliations of State Institution appropriations for the years 2013 and 2014 were received, totaling \$450,000. This matter would be discussed in more detail later in the meeting. Adjustments of this magnitude are not anticipated going forward, as projections are more accurate now.

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Funding levels to outside agencies (Human Services providers) remain the same. This is year four of the five-year plan utilizing \$200,000 per year of Warren Haven proceeds to offset the loss of Peer Grouping funding. Mr. Sarnoski took a few moments to explain the history of the plan to Mr. Kern. When year number six comes, this funding will cease.

Operating Expenses will increase by two percent at the Technical School and Community College.

Debt service is \$562,300 lower due to final payment of Open Space debt. At the end of 2019, net debt will be \$2.1 million, most of which is attributable to Chapter 12 funds. The Board continues its "pay as you go" philosophy, meaning the County saves as it goes.

There were minimal requests for new positions; the proposed 2019 budget presented this day did not include any new positions. It did include a tax decrease. Future revenue must be factored in to comply with the newly established (2017) CAP law limiting constitutional offices to a two percent increase.

Regarding the library, its tax remains the same as 2018. The federation agreement formerly in place with Phillipsburg ended in 2018. Discussion ensued regarding the deficiencies of the Catherine Dickson Hofman branch. It is in need of a small addition, new roof, heating and cooling systems, and more. Adjacent property has already been purchased for septic and parking. Currently, \$425,000 has been set aside in this budget for capital improvements there. "It's a start," said Mr. Lazorisak, noting that ultimately everything that needs to be done will likely cost about \$5 million. There should be state grants available to recoup some of the costs. Mr. Olshefski expressed a mild concern that the library's S&W and OE are getting to be equal to the amount to be raised by taxation.

The Open Space cash surplus, tax levy, debt service, and interest earned were reviewed. Mr. Sarnoski said Land Preservation Administrator Corey Tierney deserved a lot of credit for obtaining the best value for the dollar, as well as making sure the County is reimbursed by the state and municipalities.

The State has threatened to co-mingle state and local pension funds in the future, and it may be legal for it to do so, which is a concern. Federal grants previously utilized by the Prosecutor relative to the narcotics unit are drying up due to New Jersey being a Sanctuary State. Mr. Sarnoski noted that the Freeholders' stance has been that any positions associated with grants go away if the grant goes away. He asked about potential impacts of the current federal shutdown. Lauren Burd, Division Director of TASS (Temporary Assistance & Social Services), said they had been informed that SNAP (Supplemental Nutrition Assistance Program) will be funded through the end of January. Aside from these concerns, Mr. Sarnoski said there was a lot of good news here.

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Mr. Olshefski went over the COLA for 2019 being 2.5 percent, to which the County is limited in increasing final appropriations, but each year the Board passes a COLA resolution to increase the cap to 3.5 percent in case of some unexpected emergency.

There was a cursory review of summaries of departmental budgets, the capital improvement program, surplus analysis and the debt balance sheet. One notable increase (in excess of 10 percent) was in the Mosquito Extermination Commission. This was understandable due to such a wet year, high water table, and the cost of chemicals.

Regarding the entire budget, Mr. Sarnoski said it was “phenomenal,” as it was \$20 million less than when he started as a Freeholder. This was mostly due to selling off Warren Haven and the Public Health Nursing Agency. The general overview portion of the meeting concluded at 9:41

Robert Sidie, Information Systems Department Director, then came forward to discuss the needs of his department. He distributed a list of goals for 2019. In reviewing 2018, he reported intake of 2,800 tickets to the IT Helpdesk, an average of 11 per day. He provided top reasons for calls to the Helpdesk: 9.3 percent of incidents were for password resets at TASS, so we should consider having a password manager there. Printer related issues were responsible for 8.9 percent of tickets; email problems, 7.1 percent. About half of the tickets required escalation to Tier II support. Mr. Sidie wanted to improve helpdesk software to provide better metrics and usability, reporting of allocation by department (where the time is spent). He noted there are 450 workstations in the County, and the goal is to have each computer replaced every five years.

The Library has one staffer serving in an IT title, but they want to move that person to a different area, so they are seeking another part-time IT person. While both the library and Public Safety should use their existing pools of knowledge, Mr. Sarnoski expressed they should be under the oversight of Mr. Sidie in terms of integration, and “not off doing their own thing.” It was noted that the current Public Safety IT employee was soon to retire.

Warren County scored a 95 percent Security score according to the New Jersey Cybersecurity & Communication Integration Cell (NJCCIC).

In 2019, the installation of TASS computers will have to be handled by Warren County, which is new this year.

Capital investment in the phone system is required. While the CS1000 phone system equipment should be okay until 2022, there is urgency to remove it because the voice mail runs on Windows 2003 server, which is no longer supported. Mr. Olshefski said we had the ability to fund these capital projects, paying as we go, provided IT gets the additional help it needs to continue to work on these upgrades.

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There was some discussion regarding the teleconferencing system at the jail and courthouse.

Mr. Kern inquired about budgeting for the website. Mr. Sidie explained there are several web projects. Regarding the website, he has one consultant working on a Drupal concept, which is the same technology the Public Information Department utilizes with Explore Warren; and another bucket of money will be for a different consultant to interview the departments to develop their unique requirements. Mr. Sidie said the entire website would not be revamped this year; he expected to get the home page, Fire Academy, and any others we can, but it is a very large project to convert the entire website.

Mr. Sarnoski hoped it would become easier for departments to update their pages. "That's a real issue today," Mr. Sidie said. Currently, web changes can only be implemented by one or two members of his staff, or by him personally. "It's got to be quicker," Mr. Sarnoski said. Using the Health Department as an example, Mr. Sidie said we don't want them going to a third party vendor to put out septic plans. We want to support them, providing the infrastructure so they can do it themselves. Having said that, there were also concerns about security, as well as having another set of eyes approving changes, naming Art Charlton. Mr. Sarnoski cited several areas in addition to the Health Department (Planning, Engineering, Human Services and Economic Development) that require quicker resources. Saying he understood the need for checks and balances, we can't just go to Bob Sidie for everything. "We need to make sure that we can do these things quicker, so that the public has easier access to the information that they need," said Mr. Sarnoski, adding, "Anything we can do to facilitate that is important. That's the goal."

This portion of the meeting concluded at 10:07 a.m., at which time the group took a 10-minute break.

Upon reconvening at 10:17 a.m., Human Services Director Shawn Buskirk came before the Freeholders and thanked them for their support through many changes over the past four years. Accompanying her throughout the presentation were Supervisor of Accounts Tina Tichenor, County Adjuster Investigator Donna Marczi, TASS Director Lauren Burd, and Aging & Disability Services Accountant Ingrid Dow. Mr. Sarnoski noted that Aging & Disabilities Director Lakshmi Baskaram, away taking exams for her MBA, has been doing a great job in her current role.

Comprised of three divisions and employing about 100 people, Human Services is one of the largest County departments. The Division of Administration requested flat funding to its OE, and continued to generate some revenue by advertising on paratransit vehicles. There is one capital request for another paratransit vehicle. Mr. Sarnoski pointed out that the Route 31 Shuttle has ceased, but Ms. Buskirk said the additional vehicle is still needed. A number of vehicles are aging out. Regarding casino revenue, Mr. Francisco said it was about \$600,000 per year at its peak years ago, and now it has leveled off to about \$300,000/year.

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This department funds 16 outside agencies representing 34 programs relative to mental health, addiction, youth, transportation and more. As mentioned earlier, this is year four of five in terms of funding these agencies with the \$1 million of Warren Haven proceeds, to offset the loss of peer grouping funds. A detailed list of services and providers was distributed.

The Office of the Adjuster was discussed in detail. There was a slight increase requested to OE due to increased legal fees, with hearings now being held more frequently. A different law firm will be handling these matters this year: Ms. Buskirk had met with Doug Steinhardt and his associate, Ruby Khallouf. Ms. Khallouf has already attended a hearing, which went well. Commitments to State, County, private and special psychiatric hospitals have increased, with numbers and demographics provided. Mr. Sarnoski asked if these people were coming from specific areas of the County, perhaps meriting a proactive, targeted approach. Ms. Marczi said they do not track that data, but could look at it. Mr. Sarnoski noted that the Epidemiologist in the Health Department has software to track things like that.

Payment for State Institutions, while improving, continues to be a frustrating process, as the State is five years behind in its reconciliations.

The Division of Aging & Disability Services was then reviewed. Its Care Management/Adult Protective Services program met its goal of 200,000 case management reimbursements last year, and anticipates the same number for 2019.

Costs for the Congregate Meal program are increasing, with the contracted price per meal increasing 18 cents to \$5.95 (there was only one bidder for the service); rent increased at the Washington and Knowlton sites; and the minimum wage increase will affect Manpower costs. All areas of the county are being served, with transportation provided as requested. Annually, 21,180 meals are served. The concept is that these are more than nutrition centers, but also places to engage in fitness and other activities to encourage social interaction.

Twenty percent of the County's population is over the age of 60 (20,800 residents), and the population is becoming more diverse. In the past, transportation had been provided to Adult Day Care facilities, but no such centers exist in the County now.

Regarding personnel, one budget-neutral status change - a part-time bilingual position - was requested. The lack of adequate space in the Division was noted.

Next was the division of TASS, which had another successful year in terms of getting caught up with backlog, increasing reimbursement revenue from the State. In 2018, the reimbursements exceeded the budgeted amount by \$11,000. Mr. Sarnoski said he gave Ms. Burd a lot of credit for this success. Two years ago, she laid out a plan to add five new positions to deal with the backlog, and the plan worked. Now, Medicaid match increased from 50 to 75 percent for salaries. Ms. Burd expected further success to be achieved with phase two, taking further

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control by requesting online applications from the State, to be processed here. At \$35.80 per case, this could increase revenue by approximately \$81,552.

Numbers were provided (as of September 2018) regarding how many children and adults were being served by the various programs (TANF, SNAP, GA and Medicaid).

The division's progress regarding its document imaging system (DIMS) was detailed, illustrating savings in cost and space, as paper files are being eliminated and destroyed. Computer equipment and software are 100 percent reimbursed. As mentioned earlier, installation of the equipment is now the responsibility of the County. Regarding the IT issues, Ms. Burd noted the large number of employees in the division, and how some of them may have access to five different programs, each of which has different password requirements that need to be changed regularly, causing lockouts. Now aware of the issue, she was confident they could improve in terms of calls to the IT helpdesk.

Security concerns and threats are on the rise at the TASS facility, and the contracted provider had been sending unreliable and/or unqualified personnel that provided inadequate coverage. Currently, a college student is filling the post and doing a satisfactory job, but he will be returning to school soon. The Freeholders acknowledged the concerns, that the current system is not sufficient. According to Mr. Lazorisak, the only way to address all the concerns properly is to build an addition with a separate entrance. It was decided to devote \$10,000 this year to begin a capital project to achieve this end, using the same architect that designed the building, to design the addition and provide conceptual drawings. Hopefully the entire project could be complete within two-and-a-half to three years.

In the meantime, Mr. Kern suggested the presence of a Sheriff's Officer, perhaps stationed there while doing paperwork. He thought the optics of a uniformed officer, further suggesting placing a marked vehicle in the parking lot, could be a deterrent. Mr. Marvin said the officers don't really spend time doing paperwork, and most vehicles are unmarked. He said the duties of Sheriff's Officers are to provide Courthouse security and to serve warrants.

This portion of the meeting concluded at 11:39 a.m.

In other matters, Mr. Sarnoski inquired about the ability of municipalities to participate in our shared services agreement to purchase vehicles through co-op pricing. He was told any municipality that has already participated is still entitled to, and those that have not may opt in at any time. They simply have to pass a resolution and notify us.

It recently became necessary for a portion (100-150 yards) of Route 659 in Hardwick to be closed due to flooding. There is a pond on one side and a swamp on the other. The County owns the road, but not the property on either side, so there is nothing that can be done except to redirect traffic to Route 521 and 608, only allowing local residents to traverse the closed section for a few months.

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Mr. Sarnoski planned to have a meeting with all department heads on Wednesday, January 16, and if his colleagues had any particular topics they wanted to see addressed, he welcomed their input.

On motion by Mr. Gardner, seconded by Mr. Kern, and there being no further business before the Board at this time, the meeting was adjourned at 11:46 a.m.

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

**ATTESTED TO:**

**Steve Marvin, Clerk of the Board**