

MINUTES**JANUARY 26, 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 26, 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 26, 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. Olshefski opted to defer the overview until later, so he invited Warren County Community College President Dr. Will Austin to come forward. Mr. Olshefski noted a two percent increase in OE and \$250,000 in capital for WCCC. Dr. Austin distributed a handout summarizing key points, beginning with a comparison of WCCC’s tuition and fee charges to neighboring county colleges (Sussex, Raritan Valley and Morris). At first glance, Morris looked less expensive, but WCCC’s cost includes textbooks, making it the best value.

Dr. Austin reviewed a history of county funding levels dating back to 2004; estimated revenue sources and assumptions; and expense assumptions. Increased expenses included a modest rise in health benefits; Cengage (textbook) costs; Building Annex costs (utilities, cleaning, etc.); and new academic programs (Drones, nursing reaccreditation in spring of 2020). The \$250,000 capital request was for HVAC replacement of the Washington facility’s two oldest units, the total cost estimated to be \$500,000, with the college matching half.

The Freeholders asked about Governor Murphy’s “free” community college proposal. Dr. Austin said 34 percent of students do not pay to attend, as they qualify for federal grants or TAG (Tuition Aid Grants – comparable to the PELL grant on the federal level) based on family income. He thought participating in the program would affect about 37 people, and was probably more trouble than it was worth; but we don’t want to be the college that does not participate. He did note that some families refuse to fill out the FAFSA (Free Application for Federal Student Aid) because they don’t want to fill out a government form.

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Tenants at the Phillipsburg site include a chiropractor, therapist, Red Cross, and hopefully beverage and bottling company will occupy the incubator for a time.

Regarding nursing programs, Dr. Austin said they were in meetings to offer lab facility space in Phillipsburg to help the LPN program survive. WCCC tried to bring in an LPN program, but the State will not allow it. The Technical School LPN program is regulated by the Board of Education; the Board of Nursing regulates the college. They are two separate parts of State government. This portion of the meeting concluded at 9:14 a.m.

Personnel budget requests for all departments were next, with a schedule of requested promotions, salary adjustments, status changes and new positions distributed; along with recommendations as determined by the County Administrator, Personnel Director, CFO and Deputy County Administrator. Increases had been requested for all Election Board members, inspiring discussion, as no recommendations were included. It had been a number of years of no increases. The Freeholders noted the new voting machines, and wondered if Election Board members were experiencing increased workload due to provisional and mail-in ballots. It seemed doubtful. Mr. Sarnoski pointed to the Confidential Aide position in the Public Information Department; a status change from P/T to F/T not recommended at this time. He thought with potential policy changes that may be suggested by the information technology task force being proposed by Mr. Kern, the matter could be revisited in the middle of the year.

The CAP calculation was in compliance. There was still no information regarding any medical rate increases in May. Liability insurance is flat this year; we may see a reduction of one percent next year.

The Board deliberated over county funding of the Soil Conservation District. The organization has had a healthy financial standing for the last two years, with receipts higher than expenditures. It was unclear why it was ever granted county funding in the first place. Mr. Sarnoski said its workload has decreased since the Highlands designation. He did not see a reason to pay for a State-run agency in a strong financial position. Mr. Gardner noted the District Manager acted out of professional context with the SDA when Phillipsburg High School was being built. "What is the benefit to us?" Mr. Gardner asked. Mr. Marvin said he couldn't think of one. If county funding goes away, Mr. Sarnoski said, all they have to do is raise their fees a little bit to the developers.

Mr. Olshefski said while Soil Conservation is sitting on a year's worth of cash, this loss of funding will still be a significant hit from their perspective. After a bit more discussion, with the Board saying it has been reasonable through the years, it decided to de-fund the Soil Conservation District for 2019.

The Board deliberated the amount to be raised by taxation, taking into consideration many factors; including investment income, revenues coming into the County Clerk's Office, tax ratables staying basically the same (possibly up by one percent), surplus, capital, medical trust fund, CAP calculations, etc. The amount to be raised by taxation was set to be just under \$70 million.

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Budget introduction was set for February 27; followed by budget adoption on March 27. Mr. Sarnoski was to work on the budget message and have it completed by February 15.

Regarding the Open Space cash analysis, the Board was reducing the rate by half a cent (from three to two and a half cents). There was concern regarding edging near the 10 percent maximum maintenance threshold. Mr. Olshefski said he went back through the years, and we have about \$6 million unexpended if we had gone to the maximum each year. He did bring it to Mr. Tierney's attention, who was going to look into it with special counsel, but there was no definitive answer yet. Mr. Sarnoski said he thought it should be taken into consideration. Mr. Marvin noted the percentages could be flipped from Open Space to Farmland. "Frankly, how much more land do you want to take off the tax rolls through the Board of Recreation?" he asked. "And then we have to manage it," added Mr. Gardner.

The Library budget was flat at \$4.3 million.

Mr. Gardner mentioned the 4-H program's plans to conduct a "Taste of Warren" event on the grounds of the Administration Building, and one vendor inquired about offering wine tasting. Mr. Marvin reminded him the Board has an adopted policy that prohibits alcohol consumption on County property, regardless of insurance issues. Selling bottled wine would be okay, but if tasting is important, it should be held at a different location.

Bringing the budget workshop season to a close, Mr. Sarnoski thanked Mr. Olshefski, Mr. Francisco and everyone else on the dais for a fantastic job on the budget. Mr. Olshefski noted the cooperation of all department heads. If not for the sale of Warren Haven, we would not be in this favorable position. It is a different type of budget now, Mr. Sarnoski said, "We're really being responsible to the taxpayers. Thank you."

Mr. Olshefski noted the County's low debt. "So we have more money available for services," he said, as well as covering our capital needs on a pay-as-we-go, save-as-we-go basis.

Mr. Kern said he was very impressed with his first County budget process. Having been involved with municipal budgets, he enjoyed the level of staff involvement to help achieve success. He asked when the County last raised the County Purpose Tax. The answer was the 2013-2014 cycle, due to Warren Haven.

On motion by Mr. Kern, seconded by Mr. Gardner, and there being no further business before the Board at this time, the meeting was adjourned at 10:07 a.m.

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