

SPECIAL MEETING

HUNTERDON COUNTY BOARD OF CHOSEN FREEHOLDERS

Main Street County Complex, Second Floor

Flemington, New Jersey 08822

February 28, 2012

The special meeting of the Hunterdon County Board of Chosen Freeholders convened in open session at 9:00 a.m. in accordance with the provisions of the Open Public Meetings Act.

PRESENT: MR. WALTON, MR. HOLT, MR. MELICK, MR. SWOREN.

ABSENT: MR. MENNEN.

CONVENE

Director Walton announced: "This meeting is being held in accordance with the provisions of the Open Public Meetings Act. Adequate notice has been given by posting throughout the year a copy of the notice on Bulletin Boards on the First and Second Floor of the Main Street County Complex, Building #1, Flemington, New Jersey, a public place reserved for such announcements. A copy was faxed on or before January 18, 2012, to the Hunterdon County Democrat, The Express, Courier News, Trenton Times, and Star Ledger, newspapers designated to receive such notices and by filing a copy with the Hunterdon County Clerk."

PLEDGE OF ALLEGIANCE

PUBLIC COMMENT

Paul Dahan of Franklin Township came before the Board urging for the retention of the staff of the County's Agriculture Development Board. Mr. Dahan serves on a number of committees, both paid and unpaid, and in his opinion the CADB is one of the most effective committees he serves on. The CADB is effective because there is a very effective staff.

Mr. Dahan advised he sent the Board a letter expressing the CADB's views.

Director Walton explained the County is currently doing an analysis of the Planning Department. Each year the County reviews several departments for efficiencies.

Mr. Mennen came into the meeting at 9:39 p.m.

PUBLIC HEARING

Director Walton opened the public hearing on the resolution establishing a CAP Bank.

There being no comments or questions from the press or public, Mr. Holt moved and Mr. Sworen seconded a motion to close the public hearing.

ROLL CALL: (AYES) MR. HOLT, MR. SWOREN, MR. MELICK, MR. MENNEN, MR. WALTON.

Mr. Holt moved and Mr. Sworen seconded this:

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RESOLUTION

RESOVLED, Authorizing the establishment of a CAP Bank.

ROLL CALL: (AYES) MR. HOLT, MR. SWOREN, MR. MELICK, MR. MENNEN, MR. WALTON.

FINANCE – CONTINUATION OF BUDGET DISCUSSION

Printing costs formula

Bob Thurgarland, Director, Central Printing, Mail and Information Services came before the Board concerning printing costs formula used for Shared Printing Services.

Resource allocation in the Buildings and Maintenance Department

Pete Maddalena, Director, Buildings and Maintenance came before the Board and briefly described the functions of the employees under his direction.

Mr. Maddalena answered several questions for the Board.

Resource allocation in the Parks and Recreation Department

Carol Bodder, Director, Parks and Recreation came before the Board and briefly described the functions of the employees under her direction.

Mrs. Bodder answered questions placed to her by the Board.

Open Space Trust Allocation

Director Walton provided the Board with a chart concerning the Open Space Trust Funds anticipated to be received by the County. He reported that the Finance Office, the Open Space Trust Fund Coordinator and County Counsel have determined how the County is able to utilize these funds. Monies raised prior to 2009, before the money was allocated based on the categories of municipal, nonprofit, historic, farmland, county and cooperative purchases, was \$500,000. There is \$2.7 million left in municipal accounts, \$3 million left in monies for nonprofits, \$2.7 million left for historic preservation projects, \$2.7 million for farmland projects, \$1.3 million left for cooperative projects and \$100,000 for County projects.

Director Walton explained the revenue that would come to the County is the Open Space Tax was set at two cents, and additional amount of revenue of \$400,000 for municipal, \$600,000 for nonprofit, \$200,000 for historical preservation, \$1.2 million for farmland preservation, \$1 million for cooperative projects and \$600,000 for County projects.

Director Walton stated the requested spending in 2012 is \$802,000 which covers Green Acres principal payments and PIG payments.

Ms. Browne advised last year the Finance Department was directed by the Board to pay Green Acres out of the trust account and that was not previously done.

Director Walton advised the Board received a request from the open space advisors and farmland advisors that there is a need to spend more than \$200,000 for farmland. There is a \$1 million request for County projects and the Board is recommending \$700,000 to allocate this year. A resolution could be considered to reallocate funds from Farmland, Historic and Cooperative purchase, for \$100,000 each to offset the \$800,000 for PIG and Green Acres money. The County can use the previously raised money of \$500,000 and money pulled from the three large accounts to zero out the money the County wants to use the open space money for prior to 2009.

Mr. Mennen confirmed this would not alter the allocation percentages. He reported that the Board received an opinion from County Counsel, before Director Walton was on the Board, saying the County can't reallocate retroactively with the exception of those that were exclusively for the County. Meaning the line items that were specifically for County expenditure; anything else that created a reasonable expectation to the outside community/public/outside interest groups, that the County could not reallocate those funds retroactively. There is nothing which says going forward it can't be done.

Director Walton asked currently County Counsel Taylor to review this matter and report back to the Board.

Director Walton said those three accounts are the largest and it is recommended the monies be taken from those accounts.

Mr. Mennen said to be consistent with the opinion, the allocation has to be changed going forward.

Director Walton stated in order to pay the \$800,000 for PIG and Green Acres the County would have to allocate \$300,000 from existing accounts to pay off that outstanding debt.

Director Walton confirmed with Kevin Richardson, Open Space Trust Fund Coordinator that there is \$3 million in old ordinances that could be reallocated.

Mr. Richardson stated there is \$3 million that is encumbered but isn't necessarily earmarked for any particular purchase or acquisition. Currently there are no properties under any contracts nor is there any obligation.

After further discussion, Mr. Mennen moved and Mr. Melick seconded a motion to authorize the Finance Office, in conjunction with County Counsel, to find the appropriate account to take the funds from to prepay the debt in order to get the debt off the books, including the \$800,000 for PIG and Green Acres interest, as well as the \$3 million in outstanding debt, if the funds can be redirected.

Director Walton confirmed this action will require the Finance Office to come back before the Board for resolutions authorizing how the funds will be distributed.

**ROLL CALL: (AYES) MR. MENNEN, MR. MELICK, MR. HOLT, MR. WALTON.
(NAY) MR. SWORN.**

Mowing Calculations

John Davenport, Purchasing Agent advised Director Walton and various members of the Board were interested in finding out what the County's costs are for mowing in the County. He reached out to department heads for information on the amount of time spent and the number of employees. Also discussed was the accuracy in the numbers. Mr. Davenport talked with the Superintendent of the County's Golf Course to get an idea on mowing time frames. The golf course is a different type of turf than is at other areas the County mows. It takes around an hour an acre for mowing the golf course turf. The Parks and Recreation Department estimates are around an hour and a half per acre, which includes travel to the location.

Mrs. Yard confirmed for Mr. Mennen that at this point, there are no work orders generated for mowing. So there is no paperwork to get the mowing numbers from.

Mrs. Yard reported that manager for Buildings and Maintenance and for the Parks and Recreation Department was asked how many people mow and what percentage of their time is mowing. The number is subjective because there is no work order system to query them.

Mr. Davenport explained he took the salaries of all the employees that currently mow, (6 for Parks and 3 for Buildings and Maintenance), they mow from April 01st to December 01st (35 weeks), which totals 67% of the year. The time spent mowing was broken down which was 40% for Parks and Recreation and 15% for Buildings and Maintenance and Mr. Davenport came up with a figure of what the salary and benefits would be for those services. It doesn't include fuel costs or equipment or insurance or the operating expenses for the equipment.

Mr. Davenport's number is based on salary and fringe benefits costs. This doesn't include the capital costs. The \$21 a acre is strictly salary and fringe (personnel) costs.

Mr. Holt questioned how many man hours are spent mowing by these two departments.

Mr. Davenport feels it was in the area of 4,600 hours for Parks and Recreation and 700+ for Buildings and Maintenance, totally around 5,300 hours. This is just for the act of mowing, weed whacking, and travel time. This does not include weeding or mulching. This also includes litter pickup, hole filling and whatever is necessary to be done in order to mow. The County mows 160 acres (146 ½ acres for Parks and Recreation and 13 ½ acres for Buildings and Grounds).

Director Walton confirmed with Mr. Davenport that the quotes for mowing will be back this Thursday, March 01, 2012 and those figures will be ready by 3:00 p.m.

Raritan Valley Community College contribution

Mrs. Yard advised the discussion regarding Hunterdon's contribution to Raritan Valley Community College (RVCC) started a few budget sessions back and she was authorized to send a letter to RVCC asking for a 10% reduction in the amount Hunterdon County pays for the joint Bi-County College budget. Mrs. Yard heard that Somerset County met with RVCC and asked the college for a 10% reduction. RVCC wrote back to Hunterdon advising they are appealing to Somerset County and they want to do their budget presentation to Hunterdon County. Mrs. Yard stated in her original letter to RVCC was for them not to schedule a budget presentation until there is a 10% cut. Mrs. Yard reported that Somerset County has now reconsidered and gave RVCC redirection for a 5% cut.

Mrs. Yard stated RVCC wants to come before the Board and before that can happen she needs to inform them what this Board's decision is.

Margaret Pasqua, County Treasurer confirmed for Mr. Holt that last year, Hunterdon County budgeted \$4.5 million for RVCC.

Mrs. Yard advised last year there was discussion, at budget time, during RVCC's budget item of Minor Capital, and every year they ask for \$750,000. Hunterdon asked for an accounting of that fund and while it does pay for computers each year, it also is used for office furniture and other items. Mrs. Yard questioned what happens to those funds if it isn't spent. Mrs. Yard stated RVCC has room to make changes in their budget.

After further discussion, Mr. Mennen recommended that he and Director Walton meet and talk with their counterparts at Somerset County, within the next week, to discuss the issue of budgeting for RVCC. Mr. Mennen confirmed Hunterdon County is seeking a 10% reduction from RVCC. They will then report back to the Board at the next meeting.

Mr. Holt stated that Hunterdon County had agreed to follow Somerset County's led on this and whatever happens from that meeting, both Counties need to be identical in their presentations.

2012 Revenue/Expense projection update to budget

Mrs. Browne informed the Board that Hunterdon County has a \$4.8 million ratable decrease for 2012. The only numbers Finance doesn't have yet are for RVCC and Social Services. She has looked at the items in the budget and the deferred charges number has been reduced by a little over a \$1 million; \$10.5 million was budgeted last year and it is being decreased down to \$9.5 million. Mrs. Browne stated that million dollars will affect the County CAP. With Green Acres Interest and other items she was able to reduce it in total around \$2 million. That leaves the County with a \$2.8 million shortfall.

Mrs. Browne said she's looked at the Open Space Tax Rate at \$0.02 and she would like to reallocate that \$0.01 in support of the operating budget, which would leave a gap between \$700,000 to \$800,000.

Mr. Mennen stated the wording is wrong because you cannot reallocate. This is really a reduction in one offsetting an increase in another.

Director Walton stated currently the County has a \$0.03 per \$100 levy on the Open Space Tax. If that is reduced to a \$0.02 per \$100 value and increase the general operating levy by \$0.01 per \$100 value, that would be an offset to offset. This is not that, this is offset plus.

Mr. Mennen questioned if the Library Tax were raised to better reflect the actual costs and the funds that come out of the operating budget to fund the Library budget, are then used within the general operating budget.

Mrs. Browne said the County was charging the Library \$500,000 and according to the Pino Report the cost is around \$1.8 million, which means it is still short \$1.3 million.

Mrs. Browne advised when the County receives the \$500,000 from the Library it is taken in as Miscellaneous Revenue which isn't anticipated.

Mr. Mennen confirmed with Mrs. Pasqua that the \$2.9 million shortfall is in order to keep the flat tax rate, including the new ratable and considering what is known at this moment. Mrs. Pasqua stated if the Board makes more changes then it will change that number.

Mrs. Browne added that the number does include the \$2 million to reduce deferred charges and the Green Acres Interest.

