

SPECIAL MEETING

HUNTERDON COUNTY BOARD OF CHOSEN FREEHOLDERS

Main Street County Complex, Second Floor
Flemington, New Jersey 08822
March 27, 2012

The special meeting of the Hunterdon County Board of Chosen Freeholders convened in open session at 9:50 a.m. in accordance with the provisions of the Open Public Meetings Act.

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

CONVENE

Deputy Director Mennen 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

OPEN TO THE PUBLIC

Deputy Director Mennen opened the meeting to the public.

No one from the public wished to address the Board at this time.

FINANCE – CONTINUATION OF BUDGET DISCUSSION

Mr. Melick moved and Mr. Sworen seconded these:

See Page 03/27/12-1A **RESOLUTION**

RESOLVED, Approving the Budget Statement Certification by Welfare Agency.

See Page 03/27/12-1B **RESOLUTION**

RESOLVED, Approving the 2012 Emergency Temporary Appropriations.

See Page 03/27/12-1C **RESOLUTION**

RESOLVED, Authorizing the cancellation of a grant receivable for the 2007 Homeland Security Grant, in the amount of \$858.80 and the grant reserve of \$858.80.

See Page 03/27/12-1D **RESOLUTION**

RESOLVED, Authorizing the cancellation of a grant receivable for the 2010-2011 Sexual Assault Nurse Examiner/ Response Team, in the amount of \$24,011.19.

See Page 03/27/12-1E **RESOLUTION**

RESOLVED, Authorizing the cancellation of a grant receivable for the 2010-2011 Kids are Riding Safe grant, in the amount of \$190.

See Page 03/27/12-1F **RESOLUTION**

RESOLVED, Authorizing the cancellation of a grant receivable for the 2010-2011 State Health Services (BT), in the amount of \$16,254 and a grant reserve in the amount of \$16,191.33.

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

Capital Budget discussion continued

Kim Browne, Finance Director informed the Board that the Division of Social Services of the Human Services Department was asked to present a flat budget and they came in \$40,000 less. There efforts are appreciated.

Cynthia J. Yard, County Administrator, added that the Department of Human Services, has a new Administrator and she is doing a great job for the County and she got into the budget process.

Deputy Director Mennen stated this is worthy of mentioning and a congratulations should be extended to her.

Deputy Director Mennen asked Mrs. Yard, Mrs. Browne and Mrs. Pasqua, since there are only three members of the Board present, what is the least controversial matter on today's agenda that can be entertained at this time.

Demolition/Capital

Mrs. Browne reported to the Board there were questions previously concerning demolition and as directed she has researched how much was spent on demolition over the past five years. There were two ordinances, one in 2005 and one in 2008 which total \$500,000. Of that the County spent \$375,000 for demolition which is around \$60,000 per year for five years.

Mrs. Browne advised demolition was placed in the capital plan for 2009 but that ordinance was not adopted.

Mrs. Browne stated the unused money in the 2005 and 2008 ordinances were used to help fund the 2012 demolition, which is the \$120,000 figure.

Deputy Director Mennen recalls there was a discussion on whether or not if any of the demolition was eligible from the Open Space Trust Fund.

County Counsel, Shana Taylor reported to the Board that the Open Space Trust money can be used for demolition.

Mrs. Browne confirmed the County would have to identify the projects which would fall under the Trust.

Mrs. Yard will reach out to John Glynn, Director, Roads, Bridges and Engineering to verify which structures to be demolished fall under the Open Space Trust.

Prosecutor/Capital/Operating

Mrs. Yard reported the County Prosecutor was supposed to come before the Board today, to discuss his capital and operating budget requests. It was decided he would not attend today because the Board is down one member and the discussion will be before the full Board. Mrs. Yard will schedule the Prosecutor to appear before the Board at the next budget session on April 10, 2012 when there is a full compliment of the Board of Freeholders.

Deputy Director Mennen questioned how much longer it will take to accomplish the budget sessions.

Mrs. Yard advised the County Treasurer, Margaret Pasqua and Mrs. Browne brought that up yesterday because after the Board has finished his budget meetings, Finance then has to put together the budget, which is a 90 page document which will take time.

Mrs. Yard stated that Director Walton told Mrs. Browne that he would like to introduce the budget the first meeting in May, 2012 but there is no way it will be ready. Even if the budget sessions were to conclude today, the budget would not be ready for introduction on May 01, 2012.

Director Walton came into the meeting at 10:04 a.m.

Resolution/Appropriations

Mr. Melick moved and Mr. Sworen seconded this:

See Page 03/27/12-2A

RESOLUTION

RESOLVED, Approving transfers between certain 2011 Appropriations.

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

Mrs. Browne brought Director Walton up-to-date on the demolition projects and the amount spent over the past five years.

Mrs. Yard informed the Board that she resubmitted to the Board an August 25, 2011 document from the State Study Commission, which was clear on how a budget should be presented, especially under the parameters of a Constitutional Office or a State Appointed position. This may save the Board some discussion, if the Prosecutor is asked to prepare or have the ability to represent what the Study Commission talks about, which is a performance based budget.

Mr. Melick moved and Mr. Mennen seconded a motion directing the County Administrator to notify the County Prosecutor that the Freeholders intend to formulate his budget in accordance with the Commission Study report and it is the Board's expectation that his presentation and request to this Board would be consistent with the outline of that report.

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

Mrs. Yard confirmed the Prosecutor will be scheduled for the April 10, 2012 budget session.

Mr. Melick advised the County has a policy (805/810/815), adopted on March 17, 2005, with regard to meetings, conferences, trips and memberships which he would like to continue as is. If the County stays with that language, it will save a lot of time and money.

Director Walton feels that policy only covers three categories of spending in the budget, which is a narrow focus on the budget. The difference between abiding by the policy, as currently written, and abiding by a policy which Mrs. Yard is endeavoring to put together for the next regular meeting for the Board's consideration, will be about \$4,000 in savings or a little more.

Mr. Mennen said if the change is put in place, there maybe a \$4,000 savings but since he doesn't know what that change is since he hasn't seen the redraft; but if the policy as written was strictly adhered to, it would be dramatically different. As this Board learned last year, if you strictly adhere to the policy it would be roughly \$10,000. The department requests last year were around \$100,000 and the Board settled on \$40,000 or \$50,000 for approval. The policy is not being strictly adhered to currently.

Mr. Mennen advised he is advocating this Board strictly adhere to the policy as written.

Director Walton explained he is advocating a change in the policy. He suggested the Board discuss this during a regular meeting and place it up for discussion.

Mr. Melick stated it was said that the County put back a lot of money in Surplus last year by cutting out non-essential items and the 805/810/815 lines items were one of them. It would save both the Freeholders and employees time knowing where this Board stands with regard to these line items.

Director Walton advised the new policy will be very specific with regard to what is permitted and what is not. He confirmed with Mrs. Yard that it will be ready and on the agenda for next week's regular meeting.

Mrs. Yard explained the Finance Team wanted to see the memberships relaxed. It was agreed they would hold true on conferences, subscriptions, and trips. The Finance Team did talk about the memberships for departments, because there are county affiliations which, for example, such as the Director of Roads, Bridges and Engineering, Planning Director and the Human Services Administrator attend once a quarter or month. Mrs. Yard advised there are some professional affiliations which the Finance Team felt would be beneficial for the County's professionals to attend.

Library/County rate discussion

Director Walton said this Board can go through the budget item by item to try and find \$1.7 million. The Board can discuss the Library/County rate issue and resolve that.

Director Walton doesn't feel the County should be on the glide path towards establishing the Pino Report rate but rather expedite that and have it reflect on the tax rate so when taxpayers look at their bills they are getting true indications of what they are paying for.

Mr. Melick agreed.

Mr. Mennen stated at the last meeting he brought up areas where he thought the budget line items should mirror reality. If it is going to be done, then let's do it.

Director Walton asked the amount of money currently transferred between the County and the Library.

Mrs. Browne and Mrs. Pasqua advised that amount is \$520,000 and the Pino report estimates that amount should be \$1.8 million.

Director Walton recommended having a number close to the \$1.7 million amount, raise and lower the rates respectively.

Mrs. Pasqua advised if the Library's amount were raised to \$1.5 million to be turned over to the County, then the Library's Tax Rate would have to be raised by ½ a cent.

Director Walton asked if the County's tax rate could then be lowered by ½ a cent.

Mrs. Pasqua informed the Board that the County would have to get approved by the Division of Local Government Services in order to anticipate that as revenue from the Library; so that might be something to look at next year as there is no time to get that done this year.

Mrs. Browne explained this has never been anticipated before, so it is introducing a new, anticipated revenue.

After further discussion, Director Walton confirmed with the Board that the \$1.5 million is agreeable as recommended by the Finance Team to be received from the Library, which is close to the number in the Pino Report, which is \$1.8 million.

Mr. Mennen confirmed with Finance that the County operating budget supplements the Library to the amount of \$1.8 million.

Director Walton advised according to the Pino Report, the Library spends \$1.8 million to maintain the facility. Currently, the County charges the Library towards the \$1.8 million in services, \$520,000 and that was increased by \$25,000 last year.

Mr. Mennen stated the County spends \$1.28 million for the Library which isn't reimbursed according to the Pino Report. Being suggested is \$1.5 million which will leave a whole of roughly \$280,000 which is unreimbursed to the County. Mr. Mennen feels the cost to run the Library should be under the Library tax.

Mrs. Pasqua confirmed for the Board that the Library Tax Rate is 2.42% and it brings in \$5 million plus.

Mr. Mennen said under today's operating environment, the Library generates \$5 million plus dollars and \$520,000 is placed in the general operating budget and transferred into the County's coffers which leaves \$4.5 million for the Library to use for debt service, books and such.

The Board discussed increasing the Library Tax to increase the reimbursement to the County.

After further discussion, Mr. Melick moved and Mr. Sworen seconded a motion to increase the amount the Library reimburses the County, to \$1.5 million, as recommended by the County Finance Director and Treasurer.

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

The Hunterdon County Board of Chosen Freeholders discussed increasing the Library Tax/levy. The Board directed the Library Director and Finance Director to out on a budget with the Library Commission, to be presented to the Board at the April 10, 2012 budget session so a decision can be made about the levy.

EXECUTIVE SESSIONS

Mr. Melick moved and Mr. Sworen seconded this:

See Page 03/27/12-4A RESOLUTION

RESOLVED, Executive Session to discuss legal issues involving various union negotiations.

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

The Hunterdon County Board of Chosen Freeholders went into Executive Session at 11:10 a.m. and reconvened in Open Session at 12:19 p.m.

Director Walton instructed Mrs. Yard to schedule the Parks and Recreation Department, Prosecutor's Office, Buildings and Maintenance Department and Public Safety, for the next budget session on April 10, 2012, to make presentations on their budgets.

NEW BUSINESS

Mr. Sworen moved and Mr. Mennen seconded this:

See Page 03/27/12-4B RESOLUTION

RESOLVED, Approving a grant application with the National Association of County and City Health Officials (NACCHO), to provide support for activities that develop the Medical Reserve Corps (MRC) unit's capacity, in the amount of \$5,000 (federal funds).

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

NJAC

The Hunterdon County Board of Chosen Freeholders discussed joining the New Jersey Association of Counties (NJAC). Mr. Walton moved and Mr. Mennen seconded a motion not to join NJAC this year.

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

County's 300th Tri-Centennial Anniversary Celebration

Mrs. Pasqua reported to the Board that the \$60,000 which was set aside for the County's 300th Anniversary Celebration has been turned over the Tri-Centennial Committee's 501C3 nonprofit account. This was placed on the last Claims Register for approval.

Celebration of Public Events

Director Walton informed the Board that a new line item will be created for the budget which will be titled "Celebration of Public Events" into which the funds for the Tri-Centennial will be placed, as well as funds for the fireworks for the 4-H Fair and for the Employee Appreciation program. Director Walton asked Mrs. Pasqua to check into what amounts were placed in the budget last year for these items and report back to the Board on April 10, 2012.

Mrs. Pasqua questioned the Board if funds are to be placed in the budget for the Tri-Centennial this year.

Mr. Mennen stated the Tri-Centennial Committee will be fundraising as a 501C3, so the County should not place money aside for this. The Board agreed.

County Clerk

Director Walton stated the County Clerk made some personnel choices last year which resulted in a reduction to salaries. There are reductions also in other operating expenses.

Mr. Melick suggested cuts be made in this office which would be in line as to what has been achieved in other departments.

Mr. Melick advised a lot of automation has gone into the County Clerk's Office which should result in more efficiencies in the office. When the staffing in the County Clerk's Office was put in place, the revenues coming in were high and now the revenue has stopped and is constantly been reduced for the past five or six years; yet the staffing stays the same.

Director Walton informed Mr. Melick that the Clerk's staffing has gone down by at least one or two people. The County Clerk's Office is the only department making a profit; the Clerk's Office receives more in fees than they spend out in salaries and expenses.

Mr. Mennen stated the fees are established by the State of New Jersey; not established by the Board of Chosen Freeholders.

Mr. Mennen explained the Freeholders put the Planning Department through various paces and discussed revenue compared to work and tried to correspond that to staffing levels. Mr. Mennen stated with four of the County's departments, budget time is the Board's only opportunity to have this level of inspection/involvement in allocations and spending. Mr. Mennen questioned if it would be prudent to have this discussion with the Constitutional Officer, as the Board will be having with the Prosecutor, laying out a rationale for the budgetary request.

Mr. Melick brought before the Board a historical perspective going back several years, to 2008, to what the income of the Clerk's Office was and how staffing was brought up at that time.

After further discussion, it was agreed that Director Walton will invite the County Clerk to a budget session to discuss her budget.

Board of Elections

Mrs. Yard informed the Board of staffing changes in the Board of Elections due to the retirement of Richard Lynch, who served as the Elections Supervisor.

Director Walton instructed the County Treasurer get the numbers in the budget to reflect the changes in Elections.

Finance

Director Walton asked Mrs. Pasqua explained to the Board, the reason for the jump in the operating budget for Finance.

Mrs. Pasqua explained these are for payroll company start up costs. She explained the County currently uses ADP and they are raising their rates. The bank pays the ADP fees but it is reflected in lowering the County's interest, meaning the costs comes out of the County's interest income.

Mrs. Pasqua stated once the County gets the new payroll company set up, it will be run through the Finance Department, not through the interest but there are start up costs associated with going with a new company. The County will be looking at payroll companies that charge a lot less than the current vendor.

County Audit

Mrs. Pasqua informed the Board that the amount for the County's audits will remain the same, even though the County will be going with a new vendor.

Information Technology Services

Director Walton stated there has been a reduction in salaries for Information Services and there is a 7% increase in their operating budget. Most of the increase is due to data processing, data licensing and an increase in fees. Director Walton noted these increases cannot be controlled by the County.

Tax Board

The Hunterdon County Board of Chosen Freeholders discussed the costs associated with hiring a new Tax Administrator.

Mrs. Yard reported there is an individual working in the Tax Board Office who is working on getting her certification.

OPEN TO THE PUBLIC

Andrea Bonnett, East Amwell Township resident came before the Board asking to review the Pino Report which the Board keeps referring to.

Mrs. Yard asked Ms. Bonnett to call her office and arrange a time with Karen Briggs, to sit and review the report.

FREEHOLDER COMMENT

Director Walton confirmed with the Board that the next budget session will be held on Tuesday, April 10, 2012, at 9:30 a.m.

There being no further business to come before the Board, Director Walton adjourned the meeting at 1:04 p.m.

Respectfully submitted,

Denise B. Doolan, CLERK