

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 11, 2020 at 9:00 a.m.

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

The Pledge of Allegiance was led by Director Gardner, who then read the following statement: “ADEQUATE NOTICE OF THIS MEETING OF *JANUARY 11, 2020* 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.”

The Board turned to County CFO Kim Francisco for a budget overview. Mr. Francisco remarked that this was the first budget meeting in decades without the presence of former County Administrator Steve Marvin or former CFO Dan Olshefski. He went over the various topics to be discussed in more detail as the process moves forward, having supplied a packet to each person sitting on the dais. Local Finance Notices were reviewed, including deadlines and the practice of passing an ordinance to increase the CAP base to 3.5 percent.

In review of the year 2019, Mr. Francisco reported that it was a good year for revenues, which had remained stable. On the appropriations side, there were no surprises nor major transfers.

Budget highlights for the year ahead included the following:

- Medical appropriations for active and retired employees remain flat, and our first seven months of self-insurance have gone well.
- Other insurances increased slightly, not surprising and not too terrible, considering nationwide natural disasters.

- Pension payments are decreasing. “Don’t ask me how,” said Mr. Francisco.
- Three labor contracts were settled in 2019.
- Appropriation to State Institutions increased by \$309,000.
- Outside agencies: funding remains the same as 2019. This is the final year of the five-year plan using Warren Haven proceeds to offset the loss of Peer Grouping funds.
- Warren County Technical School and Community College were each budgeted for two percent increases to Operating Expenses (OE), yet WCTS requested a seven percent increase.
- Debt service is about the same as last year. At the end of 2020, our net debt appropriation is .6 percent of the total budget, an enviable position.
- The Capital Improvement plan is aggressive for 2020, with a few one-time projects. Yet we have also saved along the way, so no borrowing is required.
- The proposed 2020 budget includes funding for a few new requested positions. This needs to be discussed further and finalized.
- The budget as presented today keeps the tax levy flat.

Considerations for the year 2021 included the following:

- The CAP law established in 2017 limits constitutional offices to net increases of two percent. This is a challenge and must factor in future revenue.
- County and departmental CAPS are in compliance.
- The Capital plan is very aggressive in 2020, which will significantly impact our Capital Improvement Fund.
- We have no control of State Institution cost increases.
- Future self-insurance costs are unknown.
- The inter-local agreement with Hunterdon County for Corrections will bring in more than \$1 million in 2021.
- We must certify compliance with Federal Civil Rights requirements per Local Finance Notice 2017-27.

The Library budget is remaining flat and the tax will be the same as 2019. The Southwest Branch will be paid off in three years.

Cash surplus in the Open Space budget equals 10 years of funding, and interest earned on these funds nearly doubled in 2019. Mr. Francisco said Corey Tierney does a great job of getting payments from the state and municipalities, and the interest goes back into surplus.

Mr. Sarnoski asked to go over reasons for major increases to certain departments' line items. The Election Board will be paying for maintenance on new machines; Public Information will be budgeting for a new website contractor; Weights & Measures includes a new position, but that dollar amount may be reduced.

The general overview presentation concluded at 9:27 a.m., at which time I.T. Director Bob Sidie was invited to address the Board. Mr. Sidie's uppermost concern was security. "We are under attack," said the first line of his presentation. He provided a printout of recent hacking attempts and threat assessment of each. Carbon Black, a security software, has been installed and is doing a great job. Mr. Sidie explained how public Wi-Fi brings its own set of security issues, with the potential for hotspot attacks. Employees must be sure they are connecting to the County's Wi-Fi, and not mistakenly clicking on something nefarious.

Mr. Sarnoski asked about protecting the new website we are hoping to launch in the coming months. Mr. Sidie said that was a great question. While our current website is HTML, static, and basic, it is great from a security standpoint. The new website will enable certain authorized personnel to go in and make their own updates. It is important for it to be hosted offsite and off the County's network. Further, we should implement a multifactor authentication, such as entering a code texted to a phone, in addition to a password.

Threats from the outside are reasonably well handled, Mr. Sidie said, but phishing threats from the inside require vigilance. He planned to implement more phishing education for employees. Mr. Sarnoski asked how data was being backed up in the event of an attack, noting that some older computers are required to communicate with the State for certain programs, citing the Sheriff's Office as an example. Mr. Sidie answered the question, explaining the 3-2-1 backup procedure: three copies of data on two types of media (disk and tape), and one copy offsite.

Mr. Lazorisak said it is inevitable that we will be attacked; it's a matter of how to minimize the damage and not be held hostage. Discussion followed regarding safeguarding personally identifiable information (Surrogate, TASS).

"We clearly need more help," Mr. Sidie said, noting there are two people at the Help Desk answering phones and helping with "tier one" issues, including setting up desktop computers. He wanted to free up those individuals to go out and perform the higher-level tasks more in line with their capabilities. We had a busy 2019, said Mr. Sidie, noting his department installed about 140 workstations throughout TASS and the library system. Discussion ensued about the libraries - the firewall, and the issue of how to allow

patrons freedom of information, yet comply with security and employee access issues. Mr. Lazorisak advised the Library Commission meet with an attorney to develop protocol.

Mr. Sidie said all sorts of urgencies have a strong impact on running his department. Sometimes the State dictates I.T. requirements, sometimes it's the County, and it can often be difficult to predict. Backlogs from manufacturers are also problematic.

Mr. Sarnoski asked about plans for technology upgrades in the Freeholder meeting room. It was determined that one 72-inch screen and one 84-inch screen should be installed for presentations, with a smaller screen out in the lobby, and re-do the speakers and upgrade the sound system.

Mr. Kern was pleased with Mr. Sidie's goals and glad to see all the efforts. We call it I.T., he said, but it's almost infrastructure.

This portion of the meeting concluded at 10:21 a.m., followed by a brief recess.

The Board reconvened at 10:34 a.m. and turned its attention to the Department of Human Services. In attendance were Department Director, Shawn Buskirk; County Adjuster, Donna Marzzi; TASS Division Director, Lauren Burd; Aging & Disabilities Services Director, Lakshmi Baskaram; and Supervisor of Accounts, Tina Tichenor.

Ms. Buskirk noted this was the County's largest department, with three separate divisions, and began with Division of Administration. There was no increase to OE, and funding for contracted agencies remained the same as for 2019. This was to be the fifth and final year of utilizing \$1 million of Warren Haven sale proceeds to fund the outside agencies. Mr. Sarnoski emphasized that this is the end of the funding; this arrangement was agreed upon years ago by consensus among the service providers. "This was a gift," he said, and sought reassurance that the agencies were prepared for this. Ms. Buskirk admitted that some agencies have new directors who may not have a clear understanding of the arrangement, and consider it an entitlement. She was advised to disabuse them of that notion.

While the division requested three vehicles, one paratransit vehicle was recommended for inclusion in the budget. The Office of the Adjuster saw a downturn in mental health searches for gun permits, as the NJ State Police have taken on more of a role. The number of people committed to psychiatric hospitals has been trending up for the last three years, a factor that remains very difficult to predict. Ms. Marzzi researched commitments by municipality, as the question had been raised last year. Phillipsburg had the highest number (19), followed by Mansfield (8), Washington Borough (7), and Lopatcong (6). All other municipalities were four or fewer; 10 were from outside the

county and three were from outside the state. Ms. Marczi said they have a very good rapport with Family Guidance Center and the judiciary, and they do an excellent job with involuntary outpatient commitments.

As mentioned in the overview, reconciliation for payments to State Institutions is an item over which we have no control, and actual billings for 2019 exceeded our estimate. The result is an increase of \$308,884 to our payment, almost double expectations. Mr. Francisco expressed confidence that these were legitimate charges, as Ms. Marczi does a very good job of validating Warren County residency.

Discussion moved on to the Division of Aging & Disability Services, with Lakshmi Baskaram coming up to join Ms. Buskirk. She began with an overview of the role of the division and services it helps deliver. She requested the same level of funding for ADRC (Aging & Disability Resource Connection), which includes comprehensive intake, screening and assessment for community-based and long-term care services. This program will now be implemented in-house with contracted consultants, as the division's relationship with DAWN Center for Independent Living came to end due to lack of understanding and compliance with reporting requirements. Regarding incoming calls, Ms. Baskaram said there has been a shift, with about 30 percent of the calls coming from caregivers on behalf individuals in need of services.

The Congregate Nutrition program was discussed in detail. Budget increases were due to the minimum wage increase, on top of which we pay 37 percent for the contracted employees. Converting the workers to part-time County employees should save money. There are annual rent increases for the sites, and we now have more space at the Knowlton location to offer exercise programs there. The patrons are very happy, and it is a good value for the increased square footage. A pilot program offering increased transportation for Saturday shopping trips proved there was a need, so it will continue in 2020 during the warm weather months. Currently, clients are taken to Walmart. Mr. Kern thought perhaps Shop-Rite should be patronized, and we should find out if it may offer any special incentives to the seniors. Phillipsburg especially has a need, with the local market having closed in recent years. Ms. Baskaram said she would look into it.

Regarding the Meals at Home program, while there are no expected increases for the current year, there are plans to offer weekend meal deliveries in the future, as a consumer needs survey conducted in December 2019 indicated a need.

Twenty percent of the County's population are over age 60. Service trends and details on reimbursements were provided. Regarding personnel, Ms. Baskaram presented justification to change a current part-time Manpower employee into a full-time Community Service Aide. She said the duties take quite a bit of time and coordination,

and the cost would be offset by grants. This portion of the meeting concluded at 11:14 a.m.

Lauren Burd approached the Board to discuss TASS. She began by thanking the Freeholders for their support. Reimbursements from the State fell short of last year's budgeted goal, mainly because of staff vacancies. Mr. Sarnoski asked if they were having trouble filling the jobs. The answer was yes, especially the part-time positions, and Civil Service hold-ups make it difficult. TASS's OE has increased, but this was due to security and storage costs, which were uncontrollable. This year, storage will become available in Southwest Library complex and those costs will go away.

Ms. Burd reviewed how many children and adults were being served by various programs as of September of 2019. She was pleased to report that the Medicaid backlog was down to just 1.17 percent, from 26.02 percent in 2016. This helps the revenue side, and details on the State's recently launched new Eligibility Determination Incentive and Penalty Program were provided. Ms. Burd said she has her "superstars" in the Medicaid Unit.

DIMS (Document Imaging Management System) continues to be successful; 253 boxes containing 16,564 files have been destroyed. This cuts back on storage costs and increases the usable space in the office.

Ms. Burd provided detailed justification for personnel requests, noting increased demands have incurred overtime costs. That said, she does use overtime strategically, and it is reimbursed 75% from the State. The division's budget will appear on the agenda for the Board's January 22 meeting for approval. The State has to approve this budget prior to the County budget. This portion of the meeting concluded at 11:38 a.m.

Mr. Lazorisak informed the Freeholders of a matter regarding the Warren County (Pequest River) Municipal Utilities Authority. Traditionally, he said, membership has been comprised of three individuals from each of the following municipalities: Belvidere, Oxford and White. One former Oxford resident moved to White Township, and two members' terms expire in February, so he advised the Board to consider the matter. Mr. Gardner said he thought the (PR)MUA was running quite well, and that the chair was doing a great job.

On motion by Mr. Sarnoski, seconded by Mr. Kern, and there being no further business before the Board at this time, the meeting was adjourned at 11:41 a.m.