

MINUTES

JANUARY 16, 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 16, 2019 at 7:00 p.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 16, 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.”**

The Board looked to Mr. Olshefski for an update on the budget overview. He said the only changes since the previous meeting, based on those discussions, were to the capital improvement program. He distributed a revised spreadsheet with the changes highlighted. One of the line items was the appropriation of Hazard Mitigation Local Funds. This matter had been deliberated at length during the January 12 meeting. Mr. Lazorisak said the County might have to pay for remediation if the affected homeowners cannot come up with the money, but would be reimbursed at closing. There was still no notice regarding medical renewal rates.

Warren County Technical School was first up for review. With members in the audience, Mr. Sarnoski explained to them that this was an overview; an opportunity for the school's administration to explain the directions it is considering. The formal budget hearing will be the Board of School Estimate, statutorily required to be held between the fourth Tuesday in March and April 8.

WCTS Superintendent Ed Zalewski then came forward. He said the OE is increasing by two percent, but this is the first in a long time, with the budget having been flat for at least eight years. He said they continue to save on electricity, with 50 percent of the lights now switched to LEDs, and 79 percent of energy costs have been offset by a solar project. They have been monitoring their programs. The plan is to maintain, and cut where they can.

Mr. Zalewski said 199 students applied for the freshman class, which has 120 seats. Thirty percent of WCTS students are IEP (special education). WCTS is the only technical school in the State that provides transportation. The cost per student is \$18,000-\$19,000 including State aid. The

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vacated library space is expected to be utilized for Health Sciences and Child Development programs, in two years or so.

Mr. Sarnoski asked if additional State aid is expected. Mr. Zalewski said, "We're due for it, we should get it, but we won't know until March 7." There is a new, voter-approved bond out there, Mr. Zalewski said, and he requested the Freeholders start putting money aside for a 25 percent match, to obtain 75 percent funding. The voter question was \$500 million, \$350 million of which is considered "vocational/security". Mr. Kern asked if the security portion could be used for schools other than vocational. "We believe so," said Mr. Zalewski, but the rules were still being established. He just wanted to get on board to be in position when that money becomes available.

Mr. Zalewski revealed that WCTS was seeking to dissolve the LPN program, as they wanted to focus on the 9-12 grade population. LPN is an adult program that operates outside the normal parameters of the school, and they have encountered difficulties with its funding. This would also eliminate a staff position. Mr. Gardner thought each student paid for themselves. Mr. Zalewski said they do pay tuition, but once indirect costs are considered, it doesn't cover the cost of the program. Mr. Gardner suggested increasing the cost to the students to make it viable. Mr. Zalewski said as far as he was concerned, the program could move to a different school. Warren County Community College is not allowed to create this program.

With at least seven elder care facilities in Warren County, Mr. Gardner felt there was a need to provide an LPN program. Mr. Zalewski said at least 50 percent of the students are out-of-county residents. Mr. Sarnoski inquired about the current tuition per student, versus what it should be to maintain the program. Mr. Zalewski believed the current charge was about \$13,000 and he learned this evening that some programs cost up to \$40,000, which is why people are attending from out of state. There is no rate difference for out-of-state students.

With the general understanding of the Technical School's position that this program does not meet its mission regardless of cost, Mr. Sarnoski did ask Mr. Zalewski to come back to the Board of School Estimate meeting with some numbers regarding the cost to "Make the program whole – no outside money, no county money... just tuition-based," he said, as well as where the students are coming from. The Freeholders also wanted to see the trend of nursing and job placement statistics. Further discussion ensued, revealing that tuition is not charged up front, so administration has to "play catch-up" to collect tuition and it is often not successful. They have employed a collection agency, but had to write off about \$70,000 as unrecoverable last year. "Every year we're writing off tuition," Mr. Zalewski said.

Mr. Kern asked what the most popular major was at the school. Mr. Zalewski couldn't provide a definitive answer, but noted TV/Radio/Media; Cosmetology; Engineering and Computer Programming are all doing very well. The Welding instructor passed away unexpectedly on Christmas Eve, and it has not been easy finding a replacement.

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Mr. Sarnoski then invited public comments, noting the Freeholders have only very recently learned of the proposed program changes. Heide Sagliani of Washington Borough approached, introducing herself as the lead clinical instructor of the LPN program. A nurse for 25 years, she started as an LPN, later earning her BSN, and is now in a Master's program. "It's been my privilege to be a part of this program and an honor to teach the students and to help them fulfill their dream to become a nurse," she said. Many of her students have gone on to earn their RN at Raritan Valley, which accepts these students at an accelerated rate.

The current LPN class is comprised of 24 potential nurses, and Ms. Sagliani said she couldn't fathom the disappointment of future students to find out they will not be able to achieve their goal of attaining the first rung of nursing. At \$13,000, the program is affordable and fulfills a need in our community. It is also unique in that students matriculate to Hunterdon Medical Center and St. Luke's. She said elder care facilities are facing a crisis in staffing, and that is not going away as our population ages. "I believe our program meets these needs," she said. She asked the Freeholders to carefully consider this responsibility to the community, and thanked them for listening.

Marti Gugel of White Township then came forward, introducing herself as a lifelong resident of Warren County who is, among other roles, an RN and a teacher. She wanted to show the "huge human side" of this issue, beginning with sharing a photograph of her own graduating LPN class of 1976. She said she has worked continuously as a nurse for 40 years, and was deeply and personally saddened at the threat of losing this program. She assured everyone that they would see at least one loved one go to a long-term care facility. The lack of CNAs and LPNs is a problem. "This program has provided countless women and men with secondary careers at very critical times in their lives," she said. It's not easy to make ends meet, and to be able to work and go to school at the same time – which this program offers - is a treasure, she said, and urged the Board to consider any and all options to keep the program going.

Next to speak was Stephanie Bullock, a Somerset County resident who graduated from the program in 2016 and now works as a full-time LPN in Hunterdon County. She attested to the short staffing in the field, saying the nurse-to-patient ration was "despicable". She said her decision to attend the WCTS program at the time was a "no brainer" because of its affordability.

Since the favorable cost came up several times, Mr. Sarnoski made the point that LPN programs elsewhere likely charged significantly more to "make them whole," and it would be understandable if parents of high school students took exception to the concept of their children's programs suffering for the sake of an adult program that is losing money. He asked her if WCTS had to raise tuition significantly to make the program whole, did she think it would still attract a lot of students? She said she did think so, adding she probably would have still chosen WCTS if the cost had been \$20,000. After a bit more discussion, this portion of the meeting concluded at 7:55 p.m.

The Board turned its attention to the Library budget, welcoming Library Director Maureen Baker Wilkinson. She said the new Southwest branch has seen a 250 percent increase in new

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memberships, with almost 6,000 new cards issued (including renewal of lapsed cards). She admitted that residents of Phillipsburg, Alpha, and Washington Borough do come in and have trouble understanding why they do not have borrowing privileges, to the point of getting angry. She was pleased to report the expansion of the Maker and STEM programs there, and that we were very fortunate to have a new employee who excels in this area.

The Headquarters location has been reorganized; the reference area formerly upstairs was dismantled. Text and chat services are now available on the website. Next year will bring many upgrades to hardware and software. Now there will be a system-wide collection, rather than nonprofessional staff members of each branch ordering materials. They are also weeding materials that haven't moved. Cataloging has been outsourced to Baker & Taylor, with materials arriving already tagged, cutting down on staff time.

Plans for improvements to the Catherine Dickson Hofman branch were discussed. A highly competitive grant will be sought. Depending on how much we may be awarded, that could change the scope of the project. Mr. Marvin asked how the northern part of the County would be served during renovations, as the branch will probably be closed for about a year. Ms. Wilkinson said it will be a problem, but they are considering temporarily leasing space as a storefront. There are several potential sites.

Mr. Sarnoski was working on obtaining permission to have a drop box at Washington ShopRite. A change in property ownership caused a delay. The Southwest branch manager anticipated retiring in the coming year.

According to the recently severed Federation Agreement, the Town of Phillipsburg still owes Warren County \$399,000 or the equivalent in materials. Since they are on the record as saying any materials would be magazines and junk, the question became whether the County wants to actively pursue getting its money back. After some discussion, both Mr. Gardner, as Library liaison, and Mr. Kern, as liaison to Phillipsburg, volunteered to approach Phillipsburg Council President Bobby Fulper. Mr. Sarnoski asked them to report back to the Freeholder Board on the matter before the end of budget season. Mr. Marvin suggested the possibility of Phillipsburg putting a penny on its tax rate to pay the county back over three or four years.

Mr. Sarnoski thanked Ms. Wilkinson for her administrative approach this year. This portion of the meeting concluded at 8:25 p.m., followed by a five-minute break.

Upon reconvening at 8:30 p.m., Land Preservation Director Corey Tierney came before the Board. As mentioned during an earlier budget summary, Mr. Olshefski noted that the Open Space tax was reduced to three cents in 2018, bringing in \$3.2 million. He reviewed the Open Space cash analysis already in the Freeholders' packets. The program's debt is now minimal.

Mr. Tierney said with his annual presentation on the agenda for the following week's regular meeting, he would keep it brief. His budget is flat. Last year, they had talked about

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reallocating the percentages (currently 55 percent to the CADB for farmland preservation, 25 percent for open space and historic preservation endorsed by the MCCTFC, and 20 percent to the BORC for acquisition of county parkland). There are about 30 Farmland Preservation applications pending, which will carry us through the next few years. Mr. Tierney said there had been a bottleneck of numerous applications when it was feared that the Highlands dual appraisal provision was going to expire. It is set to expire again, but he hasn't heard any talk of extending it. Mr. Tierney was going to ask the CADB about it at a meeting the following night. He said nine farms comprising about 900 acres were preserved last year. Applications continue to come in regularly, but they are for smaller farms. Mr. Tierney said we are running out of the large farms. A few are left, but there are issues or the sellers want too much money.

Mr. Gardner brought up the Pohatcong Superfund area. He thought the time might come when it will be necessary for the County to fully fund those properties to circumvent the State. Mr. Tierney said his office has been jumping through the SADC's hoops on this groundwater contamination issue. Our appraisers said there should be no difference to the value, but it would be reasonable to make a five percent adjustment. The SADC says the farms should be valued 20 percent lower. The County cannot simply make up that 15 percent differential, as all SADC funding would then be lost. Mr. Tierney continued to explore alternate options; working with municipalities and potentially fully fund the purchase price. Further discussion ensued regarding frustration with the SADC's disinclination to fund these projects.

Another area lacking assistance from the SADC was Great Meadows. This is now Ag-modified wetlands and they will not preserve it. Mr. Tierney said there is no traditional development value there. The properties are taken out of Ag production and put back to wetlands, and there is no mechanism to value them. This is a DEP program to mitigate projects elsewhere in the state, such as power lines.

Referring to the Open Space cash analysis, Mr. Sarnoski noted the increasing balance in the account, plus the funding coming through, and considering the large chunk of debt coming off (which is about half a cent), he said we could cut half a cent and still be level-funded. "Would that be unreasonable?" he asked. Mr. Tierney said no, but he thought there was a potential concern regarding the 10 percent limitation on maintenance and operating expenses as approved by the voters. We are at a thin margin now. Mr. Olshefski wondered whether it would be appropriate to calculate past unexpended balances from previous years' higher tax collections. He was going to look into it.

Discussion ensued regarding the allocation percentages, the half-cent reduction, the surplus, the debt falling off, and how much of the public's money should be kept.

Mr. Marvin asked if we fully funded Farmland Preservation, without the SADC, do we have to follow their rules? Mr. Tierney said no. We could close on properties in 4-6 months instead of two years.

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Regarding office space, Mr. Sarnoski said Mr. Tierney's department should be in the Administration Building. Since we are now planning to put an addition on the Human Services building to have a more secure entrance, it was decided to expand that project to make room for Aging & Disabilities Services to move there, achieving all Human Services divisions under one roof. This would free up space for Land Preservation to move here, which makes more sense due to the frequent collaborations with Planning and Engineering. This process was expected to take at least two years.

Mr. Tierney then distributed a Reorganization Proposal for the future of his department, a concept of how to move forward next year, with the idea of renaming the department "Natural & Cultural Resources" with four divisions: Farms, Parks, History, and Arts. The consolidation would be more efficient, consolidating related functions into one department. One full-time position would transfer from the Planning Department, and another position is being modified and converted from part-time to full-time, with little additional cost. The total number of County employees will not increase.

The \$58,000 Arts grant that appears to be in jeopardy due to the dissolution of the Cultural & Heritage Commission was discussed. Why can't the Freeholder Board assume legal authority? Mr. Tierney agreed, noting that the Historic Commission is looking for historians, and the State Council on the Arts is looking for artists. A meeting on the matter is forthcoming.

Mr. Sarnoski said he looked forward to Mr. Tierney's annual report the following week. "Corey, thank you again for all the work you've done this last year, in taking on that responsibility. You really did help this Board and the County," Mr. Sarnoski said.

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 9:06 p.m.

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