

These minutes were approved by the Board of County Commissioners on May 10, 2023. Full texts of resolutions appear at the end of this document.

The Board of County Commissioners of the County of Warren met in Budget Session in its offices in the Wayne Dumont, Jr. Administration Building, Belvidere New Jersey on January 28, 2023 at 9:00 a.m.

The meeting was called to order by Director Ciesla at 9:00 a.m. Upon roll call, the following members were present: Commissioner Jason Sarnoski, Commissioner Deputy Director James Kern and Commissioner Director Lori Ciesla. Also attending were County Administrator Alex Lazorisak, County CFO Kim Francisco and Deputy Commissioner Clerk Tracy Matlock.

After leading the flag salute, Director Ciesla confirmed with the County Administrator that the meeting notice complied with the Open Public Meetings Act, Chapter 231, P.L. 1975.

CFO Kim Francisco started with an overview of the budget.

- CAP compliance has been done and we are in compliance.
- Traffic Studies – we have \$230,000.00 still available from previous funding, no new money was put in this year.
- Rutgers Co-Op – he lowered the appropriation due to the increase of percentage Rutgers will provide toward the new position.
- Motor Pool – we are still waiting on three vehicles from last year due to the industry's chip issue and Ford's staffing issues. Ford is not accepting orders and is trying to get out of the State contract. Mr. Lazorisak suggests we continue to budget \$280,000.00 and not authorize the purchase of any vehicles until we get sound information to what's going on. Discussion took place at this time regarding the plan for the county to move forward.

Mr. Francisco said it's a pretty aggressive capital campaign this year. We are using American Rescue money, the library is included in there, there is grant money, library money and about \$12 million through the current fund, of which \$8 million is through the American Rescue.

Next Mr. Francisco turned to the current fund budget. He referred to the last page of the budget handout. This year the budget will be introduced, not including grants, is \$103 million. Last year, at introduction, it was \$97 million. The reason it's higher this year is because the extra money is from American Rescue Capital.

Mr. Francisco continued on with the funding of the budget:

- The miscellaneous revenues are \$9.1 million
- American Rescue is \$8.5 million
- The levy is \$74,900,000 which he increased by \$1 million from the first budget meeting. If we do the increase, we'll have to use \$10.8 million in surplus.

The ratable numbers from the Tax Board are exceptionally well. The Board needs to decide what they want to do with the levy. He compiled a few analysis/scenarios:

- If we go up \$1 million in the levy, the tax rate goes from \$0.61 cents down to \$0.55 cents; almost \$0.05 cent decrease in the tax rate.
- If we go up \$1.5 million, it goes down \$0.05 cents.
- If we go up \$2 million, it goes down \$0.0471 cents
- If we go up \$2.5 million, it goes down \$0.0440 cents
- If we increase the levy to \$4 million, the tax rate goes down \$0.322 cents.
- If we drop the rate by \$0.3 cents, the levy goes up 4.2
- If we drop the rate by \$.02 cents the levy goes up to 5.6

Mr. Francisco went on to say we're in a good place, the surplus is healthy.

Mr. Sarnoski mentioned when he started as a Commissioner in 2010, we had over \$17 million in debt. Essentially we are debt-free now. He's been thinking about what challenges we have coming up such as legal bills and such. Leaving enough money in there would be comfortable. Also, with the pay-as-you-go philosophy, he feels if we cut the rate by 4.5 cents, we're cutting the regular rate for the county purpose of tax by 4.5 cents, we're cutting the library tax by half a penny. That's a 5 cents tax decrease to our residents. On a house of \$300,000.00, that's \$150.00 a year reduction in taxes. It's a significant decrease and it allows us to continue to do what we need to do, maintain services and plan for the future. He recommends a 4.5 cent tax rate cut on the general purpose tax and \$.05 cent off the library.

Mr. Francisco reminded the Board these are preliminary numbers, so they might be off a fraction of a penny. He said open space would keep the same at 2 cents. That will give us \$250,000.00 more. If we leave the levy the same for the library, with the increase ratables, it will go down to about 4.49 cents.

Mr. Kern agrees with Mr. Sarnoski's decision about cutting the tax rate by 4.5 cents. He would like to see a five-year maintenance plan for parks and open space. He's wondering if there would be a high maintenance cost in the future, and if so, maybe we should start to build up for it. CFO Francisco commented we have \$250,000.00 from the ratables, plus, we mentioned, they have over \$20 million in cash, with the interest rates, he thinks between the two of them, we're going to get an extra \$1 million dollars this year. This would be a good year for the open space funds.

CFO Francisco confirmed the Board's decision to lower the rate by about 4.5 cents from the current fund. The levy goes down by about 4.4 cents and we go up \$2 and a half million, so probably about \$2.3 or \$2.2 million increase. The library, we are doing nothing but will go down half a cent with the increased ratables. That will be a 5 cent decrease overall.

Ms. Ciesla expressed she was concerned about what was ahead for the Board with contracts, so she is more comfortable with the \$2.5 million.

Mr. Francisco said he would like to introduce the budget the second meeting in February, and have the public hearing during the second meeting in March.

Mr. Sarnoski thanked Mr. Francisco and his team, Mr. Lazorisak and the Department Heads for all the hard work they did this year. We challenged them to be mindful of tax payers' dollars because we know we have some challenges in the future. We are always mindful of tax payers' money. We appreciate that most department's met the challenge. He appreciates this Board for doing the same thing. Not many boards meet with their departments and meet as often to go over everything.

Ms. Ciesla thanked everyone for their hard work in producing a healthy budget.

CLOSING PUBLIC COMMENTS:

Lisa Thomas from Liberty Township asked whether or not the county employees have the option to elect a health sharing program as a health insurance option. It was noted the federal government prohibits it.

While on the topic of insurance, Mr. Lazorisak made mention we received the stop loss for Mosquito Commission. It's very good. He'll be putting together a resolution to put them on beginning May 1, which is the earliest date they can do so.

PRESS COMMENTS & QUESTIONS

None.

EXECUTIVE SESSION

There was no need for Executive Session.

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 9:48 a.m.