

**SALEM COUNTY BOARD OF CHOSEN FREEHOLDERS
SPECIAL MEETING MINUTES
MAY 14, 2012
5:00 PM**

The meeting was called to order by Director Acton: Pledge of Allegiance followed prayer by Deputy Director Laury.

Director Acton stated that adequate notice pursuant to the Open Public Meetings Act has been given of this meeting.

On Roll Call, the following Freeholders were present: Deputy Director Laury, Freeholders Cross, Vanderslice, Bobbitt, Timberman and Acton.

Freeholder Cross moved to take Ordinance 2012-002 off the table, with Freeholder Vanderslice seconding his motion. As there was no discussion, the motion to take Ordinance 2012-002 off the table carried a hand vote of 7/0.

Ordinance 2012-002

Bond Ordinance Providing for Various Improvements to Roadways, Bridges, Railroads and Other Public Property Damaged by Hurricane Irene and Previously Approved by Special Emergency Appropriations in 2011, by and in the County of Salem, State of New Jersey; Appropriating \$3,400,000 Therefore and Authorizing \$3,400,000 Bonds or Notes of the County to Finance Part of the Costs Thereof

Deputy Director Laury moved for the adoption of Ordinance 2012-002, with Freeholder Vanderslice seconding his motion. As there was no discussion, the motion for adoption of the Ordinance 2012-003 carried by roll call vote Deputy Director Laury – for, Freeholders Cross - for, Vanderslice - for, Bobbitt – for, Timberman - for and Director Acton – for

INTRODUCTION OF THE 2012 SALEM COUNTY BUDGET

Deputy Director Laury moved for the introduction of the 2012 Salem County Budget, with Freeholder Vanderslice seconding his motion.

Freeholder Timberman “we were handed a new copy just right before and CFO Wright did say there were a few changes so I would like to know what changes....”

Director Acton “CFO could you explain the changes that were made and why they were made.”

CFO Wright “the majority of the changes were made to the 2011 portion of the budget after the review of the auditors that they do every year. There were a couple discrepancies from formulas and some footings so we cleaned that up a little bit so it's in the correct format and additionally there were two changes. One change affected two departments on the 2012 budget \$25,000 was added to the appropriations for the bookmobile and it was offset by a reduction to the Roads and Bridges Departments OE of \$25,000 so the overall amounts did not change there was just some funds moved between two departments.”

Freeholder Bobbitt “so it went from the Road Department to the bookmobile?”

CFO Wright “that's correct.”

Freeholder Timberman “ is that operating expense?”

CFO Wright “yes”

Director Acton “they don't have a salary and wage line item”. “Mr. Wright did you have to do that last year also with the previous year when the auditors reviewed them?”

CFO Wright “as far as the...”

Director Acton "adjustments at this..."

CFO Wright "last year it was done differently with different auditors those in prior years the auditors actually held onto the budget document and they would review it before they would send it back to us this year we in order to help save on fees we did more of the work ourselves and it was submitted to them."

Freeholder Timberman "I just want to talk about the layoff plan. I don't know where it's addressed in the budget but when was the layoff plan submitted to the State?"

Director Acton "County Administrator was that done, that was done last week?"

Administrator Ford "it was done last week, yes."

Freeholder Bobbitt "what date?"

Administrator Ford "last week"

Freeholder Timberman "how many people are being affected by the layoff plan?"

Director Acton "it's eleven full time employees and seven part-time"

Freeholder Timberman "are they going to be released, the positions or names so that we know?"

Administrator Ford "no the reason being as we stated a month and a half ago when the layoff plan, when we first talked about the layoff plan that's a draft the board in Trenton will have to make the final decision so until that final decision they could modify the plan so until they decide what it is it's still in draft form"

Freeholder Timberman "so it's eleven full-time and five part-time?"

Director Acton "seven"

Freeholder Timberman "so when will that be effective?"

Director Acton "July 23rd"

Freeholder Timberman "did we pick that date?"

Administrator Ford "no that's the date that's chosen by the commission we was under the impression 35 days and 45 days that they were going to run concurrently but the commission, the board has 30 days to approve the layoff plan after they approve it then it's 45 day period for them to notify the union representatives those affected employees and then with the roll off date so then they pushed it back to July 23rd."

Freeholder Bobbitt "was the plan submitted on May 1st?"

Administrator Ford "off the top of my head"

Freeholder Bobbitt "to my knowledge it was submitted on May 1st and we had a freeholder meeting on May 2nd and with all this transparency talk and all this I don't know why we weren't informed of a reduction of the list. We're still trying to get \$575,000 dollars together somewhere and now it's only 16 or 17 people? When were we going to be informed of this?" We had a Freeholder meeting after the list was submitted when were we going to be told all this?"

Administrator Ford "again I'm not sure.."

Director Acton "we submitted the plan and then the State changed the plan on us because on the list we had people on there that had bumping rights so the names were changed just because and that's why we don't want to release the list."

Freeholder Bobbitt "I understand but I was wondering when we were going to be informed of what the States decision was just tonight is this when we are being told?"

Director Acton "as soon as it gets finalized right now it's still a draft?"

Freeholder Bobbitt "we had no idea it was a draft that's what I'm saying. We had no idea the list was reduced. When was that going to happen, tonight? I guess we're finally finding out now."

Freeholder Timberman "my concern is that what you've given me in answers is that this is not the same layoff plan that we were made aware of and voted on, on April 18th."

Director Acton "what we voted on is a layoff plan it wasn't that actual plan it was a layoff plan and we can't have an actual because the state amends it, they change it so it's .."

Freeholder Bobbitt "it's just a plan"

Director Acton "right it's just a plan"

Freeholder Timberman "I have a concern though because we are trying to find \$575,000 or whatever to save those jobs and now it sounds like it's less it could be more who's to say the States not going to say more?"

Director Acton "and that could be."

Administrator Ford "Freeholder Timberman you are absolutely right on that part. What has happened since this board first approved to have a layoff plan to send that plan to Trenton things have happened within the County. People have retired, people have said they are retiring to save jobs, people have left the county rolls. As those things have happened before we sent the plan up their names came off there to reduce the number and so once the plan went up one day last week I won't sit up here and say it was May 1st because I don't have that date with me but once that plan is submitted that's the plan they will have to decide on and again they could modify the plan they could increase the number they could decrease the number but that's where it is."

Freeholder Timberman "how are we going to pass a budget in a couple weeks if we don't really know what number they are going to give us?"

Director Acton "actually on Thursday the CFO called me and the number had changed \$181,000 that we had to come up with so I mean that's why we need to introduce it, send it up to the State, they'll amend it they'll look it over and we just need some closure. As you know it's kind of a working document because Bethe or Freeholder Timberman the Chapter 159's come in so you have revenue coming in you have expenses coming in throughout the whole year."

Freeholder Timberman "not knowing all of that I would like to propose a resolution or a different approach to dealing with this budgetary shortfall that would exclude layoffs and it would be two resolutions we passed last year 2011-370 and 2011-410. We took action saying that any money we took in from the leased Dollars Stores or the FEMA money that came in that we were going to put it towards paying off the bonds and I think that in light of everything that's happening that money when it comes in should go into our surplus so that we cannot have to lay off employees. I mean that's something that we voted on but I think it's something that we could rescind and maybe for just a year until we figure out. It's nice to put it towards paying off the bond but we're laying off people we're affecting a lot of families. So I don't know if I need to make a resolution."

Freeholder Cross "could I ask the CFO if he has any idea what that total might be at this present time."

CFO Wright "I'm not aware of the amount off the top of my head of what we received from FEMA but last year we did reserve \$114,000 for paying off the debt of the 5th Street Complex and that \$114,000 is in the budget to be used for that debt so at this point if you would consider those resolutions then you are really talking about the FEMA money that's come in."

Freeholder Cross "I was interested in the retail portion."

CFO Wright "it was \$114,000 last year."

Freeholder Timberman "so is it something we could consider as far as putting these resolutions forward."

Clerk of the Board Gage "is that a motion?"

Freeholder Timberman "may I make a motion? I'd like to make a motion that we rescind those resolutions and take the funds and put it towards our surplus or unanticipated funds. Motion second by Freeholder Bobbitt.

Freeholder Bobbitt "we would like to suspend that for one year as the FEMA money comes in it's my understanding that it has to go right into the surplus so it helps our surplus and also prevent any layoffs and that's my objective here to keep any layoffs from happening."

Deputy Director Laury "I would disagree with Beth on this point that would just be politics as usual just increasing our debt even further where we've be going from 20 million dollars is got to stop you said it it's got to stop and we got to stop doing it. Last year we voted that the money that was suppose to go back to FEMA that we are borrowing in bonds will go back to FEMA. The 5 Star we bonded for the 5th Street project we bonded for that we want to go pay off that bond we don't want to go further in debt we want to fix a budget that's structurally deficient and we can't do it buy just keep borrowing and borrowing and using surplus and using surplus it's not the way to run a government.

Freeholder Bobbitt "how about this you've already took 5.1 million out of surplus to balance the budget 5 million out of surplus so what would another \$350,000 out surplus to save these jobs? How much more would that matter? Why don't we do that?"

Freeholder Vanderslice "let me just say this, I believe the surplus is dangerously low at it is I'm not comfortable with the number where it is.

Freeholder Bobbitt "I agree."

Freeholder Vanderslice "I look at the overall situation and for ten years we've done nothing but take this county into debt. We have debt service of over five and a half million dollars. It's time to stop kicking the can down the road and what you're proposing here tonight is that we continue to kick the can down the road. We cannot do that lets start talking about saving the taxpayer.

Freeholder Timberman "I am saving the taxpayer. You are going to unemploy 16 families, families that will not find another job, that will probably lose their homes, that will not have benefits, we're talking about the people of Salem County not the debt not all of the money that I think we almost had unanimous votes on for bonding and I can get those numbers if we need to. We did not do this alone but I certainly don't want to see to save the taxpayer a little bit of money which is what the Government just said we'll lower the levy we'll give you the million dollars to save jobs but to lower the levy so the State has done that why are we going to let 16 families plus lose their employment it just seems mean spirited."

Freeholder Bobbitt "not only that we are going to save \$350,000 by laying these folks off correct"

Director Acton sic (yes)

Freeholder Bobbitt "now what is it going to cost us for unemployment to carry those folks for two or three years while on unemployment so really what would we be saving"

Director Acton "CFO and it would be a whole years salary for next year.

CFO Wright "I don't know what that number's going to be Sir. I mean I can certainly do some homework and find out."

Freeholder Bobbitt "we ought to take a look at that because if it's only going to save us \$150,000 then you're going to lay 16 people off for \$150,000? Really?"

Director Acton "no I think it would be..."

Freeholder Bobbitt "you got to pay unemployment. Something else to look at I think."

As there was no further discussion motion defeated 4/2 by roll call vote Deputy Director Laury – against, Freeholders Cross – against, Vanderslice - against, Bobbitt – for, Timberman - for and Director Acton – against

Freeholder Timberman "I will vote yes to introduce this budget because I believe the people need to see the budget and I do think we need to get this budget out there and let the public see it so that they know what kind of decision we are making and what budget we're going to be voting for."

As there was no further discussion motion to introduce 2012 Salem County Budget carried by roll call vote Deputy Director Laury – for, Freeholders Cross – for, Vanderslice - for, Ware – for, Bobbitt – for, Timberman - for and Director Acton – for

Clerk of the Board Gage read the following

As you are likely aware I have a contractual obligation to the Woodstown School District to coach the Men's Baseball Team. Freeholder Director Acton, above my protests and request for a different time, has scheduled a special meeting of the Board of Chosen Freeholders for Monday evening, May 14, 2012 at 5:00 PM. This conflicts with my contractual obligation to the district and I will not be able to attend the Special Freeholder Meeting.

Per the Rules of the Board section 3:1-3 I am able to submit a signed "proxy" to cast my vote on any action that I wish to be represented on. Therefore, with that right I am submitting this proxy to have my vote legally recorded on the "Introduction of the 2012 Budget." My Proxy vote should be recorded as **Yes** to this action.

I thank you for your considerations in this matter, and I would hope that in the future Director Action will consider all of the obligations that many of us have when scheduling a Special Meeting.

Sincerely, Lee Re. Ware, Freeholder

Director Acton "I would like to make a budget statement. As you are all aware this budget was probably our most difficult and challenging in the recent memory of this budget history. It has taken many months of hard work and sacrifice on behalf of all our dedicated staff. Our public budget workshops began in early December 2011 and continued through March of this year. Whether you decided to actively participate in the process or not this was a bipartisan effort and for the first time the public was invited to oversee the process and listen in on many discussions that were brought to us at this point. We are very proud of that and we look forward to continuing and improving transparency as we move this county forward. With this budget we have attempted to address uncontrolled spending and will continue to do so. As was stated at our last freeholder meeting by labor attorney Ryan Scarbo the budget have been structurally deficient over the last ten years. Rather than tackle the unlying issues increased use of our county surplus and bonding continued at an alarming rate. We have decreased spending and we are starting to turn this county around with a smaller and more efficient government. We have stopped playing the same game that are played in Washington borrowing from our children and grandchildren. We were left at a 12.9 million dollar shortfall by previous administrations. Closing this gap required the use of all of our available resources, reduction of 21 line items, a workforce reduction additional healthcare participation by our non union workers, pay reduction by our freeholders and others and a small but equally painful tax increase. Unfortunately, for all of us this change does not take just one budget to complete and we promise to work diligently to put this county back on the tract of fiscal sanity. We understand that there is shared pain in any change but the outcome of these changes will be worth the effort. Thank you.

Deputy Director Laury moved to adjourn the second by Freeholder Cross.

Freeholder Bobbitt "your definition of smaller efficient government what does that mean? Adding to Administration and laying off the lower folks is that less government or is that less people?"

Director Acton "no"

Bobbitt "seems like more government"

Director Acton "no actually in our administration we had our deputy director or deputy clerk of the board he is no longer employed by us and another one in that office we have two individuals doing the position of that was held by four people, three people so we saved about \$40,000 just in that one department."

Freeholder Bobbitt "how much did we add this year with Evern Ford and the rest of these folks."

Director Acton "that's what I'm saying it was Lori Loveless, Robin Weinstein and Mr. Gage and it got down to just two Mr. Gage and Mr. Ford and that saved about 4..."

Freeholder Bobbitt "Mr. Reed"

Director Acton "Mr. Reed's not even in our office"

Freeholder Bobbitt "no"

Director Acton "Mr. Reed is in the County Clerk's office."

Freeholder Bobbitt "I know where he's at but we pay him don't we"

Director Acton "yes but he's a replacement"

Freeholder Bobbitt "yes five months in advance".

Director Acton "no it wasn't five months in advance, but thank you"

As there was no further questions, motion to adjourn carried by hand vote 6/0 at 5:24pm

Respectfully submitted,

Earl R. Gage
Clerk of the Board