



8:00am Sunday, February 22, 2015

Call to order

Salute to the flag

Open Public Meetings statement

Roll Call

	Present	Absent
Chila	X	
Barnes	X	
Christy	X	
DiMarco	X	
Simmons	X	
Jefferson	X	
Damminger	X	

Also in attendance: Administrator Bruner, Deputy Administrator White, Clerk of the Board DiLella, Chief Counsel Lyons

Public portion on agenda items only (time limit of five (5) minutes per person, per public portion)

OPEN

	Motion	Second	Yes	No	Abstain
Chila	X		X		
Barnes			X		
Christy			X		
DiMarco			X		
Simmons		X	X		
Jefferson			X		
Damminger			X		

Comments: N/A

CLOSE

	Motion	Second	Yes	No	Abstain
Chila	X		X		
Barnes			X		
Christy			X		
DiMarco			X		
Simmons		X	X		
Jefferson			X		
Damminger			X		

Comments: N/A

Statement read by Freeholder Director Robert M. Damminger (see attached)

**OVERVIEW**

- Shared Services
  - Municipal to County
  - County to County
  - Intra-County
  
- Shrinking the Size of Government
  - A look back, A retrospective
    - Projection if Attrition and Regionalized Corrections was not done
    - Projection of Taxes if Attrition and Regionalized Corrections was not done
  - Attrition of Workforce
    - 2008
    - 2009
    - 2010
    - 2011
    - 2012
    - 2013
    - 2014

- Reduction in Administration
  - Consolidation of Election Board
  - Merging and Consolidation of “Super Departments”
  - Merging the Social Services Board into County Government Chart
  - Regionalizing Corrections
- Ratable Trends, Equalized Values
  - Analysis of Grant Revenue and Other Revenues
  - 2004 to 2014 Projected Surplus Trends and Projections
  - 2014 – 2015 Revenues

**OPERATING**

- Overtime & New Hire Requests
- Operating Expenses
  - Pension Trends and Costs
  - Other Insurance Trends
  - Group Insurance Trends
  - Total Salary & Wage
  - Total Operating Expense Trends
  - Total Salary & Wage / Operating Combined

Public portion (time limit of five (5) minutes per person, per public portion)

**OPEN**

	Motion	Second	Yes	No	Abstain
Chila	X		X		
Barnes			X		
Christy			X		
DiMarco			X		
Simmons		X	X		
Jefferson			X		
Damminger			X		

Comments: N/A

**CLOSE**

	Motion	Second	Yes	No	Abstain
Chila	X		X		
Barnes			X		
Christy			X		
DiMarco			X		
Simmons		X	X		
Jefferson			X		
Damminger			X		

Comments: N/A

**Adjournment 10:13 AM**

	Motion	Second	Yes	No	Abstain
Chila	X		X		
Barnes			X		
Christy			X		
DiMarco			X		
Simmons		X	X		
Jefferson			X		
Damminger			X		

Comments: N/A



ROBERT N. DILELLA, CLERK



Statement from Freeholder Director Robert M. Damminger  
Budget Workshop, Saturday, February 22, 2015

Thank you all for attending this Sunday morning budget workshop. The Board of Chosen Freeholders holds this meeting on a weekend so that we can review with our Administration and develop the county's annual budget.

Last week the New Jersey Department of Community Affairs released its annual report that illustrated that the average property tax bill in Gloucester County from 2009 to 2014 was one of the three lowest in the state.

In 2014 the county's budget called for \$3.2 million less in spending than 2013 and reduced the county's debt by another \$13.1 million. In 2015, we plan to meet our goals of cutting spending and further reducing the county's debt while continuing to perform critical services for our local municipalities. As a county, all we can control is spending. We cannot control prior year's tax appeals approved by municipalities or regional economic factors that affect ratable growth.

Undoubtedly Gloucester County is a recognized leader in New Jersey for shared services. GCEMS, countywide assessing, 911 dispatching, stormwater management, and trash disposal are just some of the services Gloucester County provides to its 24 municipalities that result in them saving in excess of \$27 million. This savings represents an average 13.35 cents (per \$100) avoided on each town's local purpose tax. This is money that a municipality does not have to ask for from their taxpayers because the county provides the services that the municipality used to provide.

In 2013 the Freeholder Board regionalized the Department of Corrections and that move has saved the county more than \$9.3 million in two years, and keeps us on target to save over \$10 million a year by 2016.

And even though the facts are that we have regionalized all of our correctional services that will save our taxpayers over \$250 million over 25 years, have eliminated more than \$24 million in salaries through reducing our force by 337 county positions through attrition since 2008, and have not cut one single service to our residents, the hard truth is that revenues and ratables are still down.

To put things in perspective, here are several examples of the dwindling revenues the county faces again:

- In 2005 the Clerk's Office generated \$7.6 million in revenue. In 2012 they generated \$3.8 million and in 2014 the amount dropped again to \$3.4 million.
- In 2006 the Sheriff's Office generated \$870,000 in revenue and in 2014 they generated half that amount or \$450,000.
- In 2007 the county generated \$5.3 million in interest revenue. In 2012 it generated \$111,000, but in 2014 it only generated \$56,000.
- In 2009 grant revenue was \$21.3 million contrasted to 2014 where it was \$14.2 million.

These revenue factors are all directly tied to the national economy and its cooling since the start of the recession in 2008. Depressed revenues coupled with an overall decrease in ratable growth of another 2.36% in 2014 provide challenges when crafting this year's budget. And while we do see glimmers of the economy growing stronger here with a decrease in unemployment and a slight rise in new construction, we are still nowhere near the booming economy of the early part the millennium.

Over the past 5 years ratables have decreased by 13.15%, causing a loss of tax revenue of \$54 million. In order to preserve services and avoid rate shock, we had to dramatically reduce spending through attrition and regionalization of corrections, and increase the use of surplus.

Our 2015 budget is still a work in progress. We will be working to reduce operating expenses where we have total control. Although am encouraged by the hard work put forth by our Administration, Treasurer and Department Heads, there are still many difficult challenges and decision to be made.

I would like to thank the members of the Budget Committee for their continued efforts on behalf of our taxpayers and ask our Administrator Chad Bruner to proceed with the budget overview, and then we will hear from Treasurer and Budget Officer Gary Schwarz.



# GLOUCESTER COUNTY REGIONALIZED SERVICES MUNICIPAL BUDGETARY SAVINGS BY SERVICES 2015



MUNICIPALITY	COUNTY ASSESSOR	EMS	911 DISPATCH	STORMWATER/DEICER STORAGE	TRASH DISPOSAL SAVINGS	OTHER SERVICES (2)	MUNICIPAL BUDGET SAVINGS (1)	2014 LOCAL PURPOSE TAX SAVINGS	FARMLAND / OPEN SPACE PRESERVATION
CLAYTON	\$106,889	\$35,687	\$429,300	\$192,791 *	\$37,384	\$208,351	\$1,010,402	21.84 ¢	\$3,343,896
DEPTFORD	\$609,489		\$738,024	\$386,695	\$111,328	\$465,914	\$2,311,450	8.22 ¢	\$425,000
EAST GREENWICH	\$132,286	\$466,763	\$91,744	\$192,791 *	\$38,055	\$166,674	\$1,088,314	10.48 ¢	\$19,730,335
ELK	\$42,320	\$17,079	\$25,985	\$106,367 *	\$20,417	\$75,341	\$287,510	8.20 ¢	\$10,094,078
FRANKLIN	\$291,837		\$415,788	\$698,039 *	\$85,814	\$255,639	\$1,747,116	14.16 ¢	\$5,869,149
GLASSBORO	\$286,964	\$894,528	\$883,550	\$200,508	\$64,136	\$296,752	\$2,626,438	22.25 ¢	\$903,169
GREENWICH	\$95,578	\$27,190	\$395,679	\$207,669	\$29,165	\$73,425	\$828,707	10.17 ¢	\$2,386,094
HARRISON	\$83,170	\$326,825	\$72,763	\$422,500	\$56,836	\$174,787	\$1,136,881	8.30 ¢	\$26,597,760
LOGAN	\$141,346	\$466,763	\$77,959	\$146,255 *	\$22,703	\$153,897	\$1,008,924	9.65 ¢	\$10,597,388
WANTUA	\$242,264	\$73,074	\$651,122	\$305,807 *	\$83,736	\$253,998	\$1,610,000	12.06 ¢	\$21,856,254
MONROE	\$429,887		\$880,692	\$1,031,186 *	\$189,745	\$478,522	\$3,010,032	11.44 ¢	\$2,358,414
NATIONAL PARK	\$45,990	\$27,190	\$41,578	\$73,128 *	\$15,678	\$82,059	\$285,622	17.96 ¢	\$110,000
NEWFIELD	\$16,678		\$8,316	\$46,530 *	\$7,117	\$47,447	\$126,088	10.15 ¢	
PAULSBORO	\$75,740	\$10,198	\$649,590	\$132,959 *	\$36,697	\$112,913	\$1,018,097	25.69 ¢	
PITTMAN	\$126,333	\$515,328	\$278,057	\$179,495 *	\$48,252	\$146,424	\$1,293,890	22.36 ¢	
SOUTH HARRISON	\$90,182	\$11,329	\$25,985	\$350,890	\$14,498	\$61,871	\$554,756	15.07 ¢	\$23,770,436
SWEDESBORO	\$42,042	\$61,178	\$59,090	\$904,126 *	\$13,870	\$67,343	\$283,412	15.20 ¢	\$255,000
WASHINGTON	\$601,251		\$519,737	\$79,776 *	\$253,287	\$644,133	\$2,922,535	6.90 ¢	\$16,589,875
WENONAH	\$17,410	\$9,063	\$36,381	\$79,776 *	\$10,118	\$51,673	\$204,421	8.06 ¢	
WEST DEPTFORD	\$423,932	\$60,165	\$369,014	\$385,583 *	\$126,078	\$324,130	\$1,688,901	7.25 ¢	\$3,260,800
WESTVILLE	\$59,319		\$288,453	\$73,128 *	\$24,330	\$76,044	\$521,274	19.95 ¢	
WOODBURY	\$208,462	\$158,608	\$37,281	\$179,495 *	\$50,241	\$195,948	\$830,035	14.03 ¢	
WOODBURY HEIGHTS	\$45,946		\$64,956	\$93,071 *	\$14,385	\$67,949	\$286,306	11.15 ¢	\$10,000
WOOLWICH	\$147,755	\$406,152	\$57,171	\$245,975 *	\$34,987	\$167,817	\$1,059,857	9.78 ¢	\$13,596,154
<b>TOTALS:</b>	<b>\$4,363,070</b>	<b>\$3,567,122</b>	<b>\$7,098,216</b>	<b>\$6,674,651</b>	<b>\$1,388,858</b>	<b>\$4,649,050</b>	<b>\$27,740,967</b>	<b>13.35 ¢</b>	<b>\$161,753,802</b>

1. Municipal budgetary savings calculated using actual annual costs adjusted to 2014 dollars using CPI, Philadelphia Region.  
 2. Other Services include: Health Code inspections, Animal Control services, Fire Code inspections, Shuttle Bus purchases.

\* Utilizes Deicer Storage Sheds

2/22

County to County Shared Services

Medical Examiner Services

Camden County	\$1,117,342
Salem County	\$190,000

Mental Health Administrator

Salem County	\$32,000
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Health Officer

Salem County	\$74,160
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Dispatch Services

Buena Borough	\$133,685
Buena Vista Township	\$69,177
Estell Manor	\$9,578
Folsom	\$9,578
Weymouth	\$9,578

Total Revenue to Gloucester County	\$1,645,098
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# INTRA-COUNTY SHARED SERVICES ANALYSIS

	Library (68)	GCUA (70)	GCIA	GCIT / SSSD (730)	GCC (235)	County (1470)	Totals
<b>Public Safety</b> <i>Dollars Saved</i>	N/A	Shared with County	Shared with County	Shared with Sheriff	Shared with County	N/A	\$100,000
<i># of Employees Eliminate (FT/PT)</i>	N/A	N/A	N/A	N/A	\$100,000	N/A	5
<b>Buildings &amp; Grounds / Food</b> <i>Dollars Saved</i>	Shared with County	Shared with County	Shared with County	Shared with GCC	Shared with County/GCIT	N/A	\$411,845
<i># of Employees Eliminate (FT/PT)</i>	\$5,972	\$30,000	\$104,793	\$20,000	\$163,781	\$87,299	4
<b>Information Technology</b> <i>Dollars Saved</i>	1	0	0	1	1	0	
<i># of Employees Eliminate (FT/PT)</i>	N/A	Shared with County	Shared with County	Shared with County/GCC	Shared with County	N/A	\$720,138
<b>Human Resources</b> <i>Dollars Saved</i>	N/A	Shared with County	Shared with County	Shared with GCC	Shared with GCC	N/A	\$197,100
<i># of Employees Eliminate (FT/PT)</i>	N/A	\$9,625	\$44,000	\$166,513	\$500,000	N/A	2
<b>Purchasing / Finance</b> <i>Dollars Saved</i>	Shared with County	Shared with County	Shared with County	Shared with GCC	Shared with GCC	N/A	\$297,246
<i># of Employees Eliminate (FT/PT)</i>	N/A	N/A	N/A	N/A	\$197,100	N/A	4
<b>Public Relations</b> <i>Dollars Saved</i>	Shared with County	N/A	N/A	Shared with GCC	Shared with GCIT/SSSD	N/A	\$127,200
<i># of Employees Eliminate (FT/PT)</i>	49,447	N/A	N/A	N/A	237,799	10,000	2
<b>TOTAL DOLLARS SAVED</b>	Shared with GCIA	Shared with GCIA	Shared with GCIA	Shared with GCIA	Shared with GCIA	Shared with GCIA	\$1,853,520
<b>TOTAL EMPLOYEES ELIMINATED</b>	N/A	N/A	N/A	N/A	N/A	N/A	18
	0	0	0	0	\$127,200	1	
	\$55,419	\$39,625	\$148,793	\$186,513	\$1,325,880	\$97,299	\$2,351,520
	2	0	1	3	10	2	

## Total Savings

\$500,000  
IT Building  
Avoidance

\$2,351,520

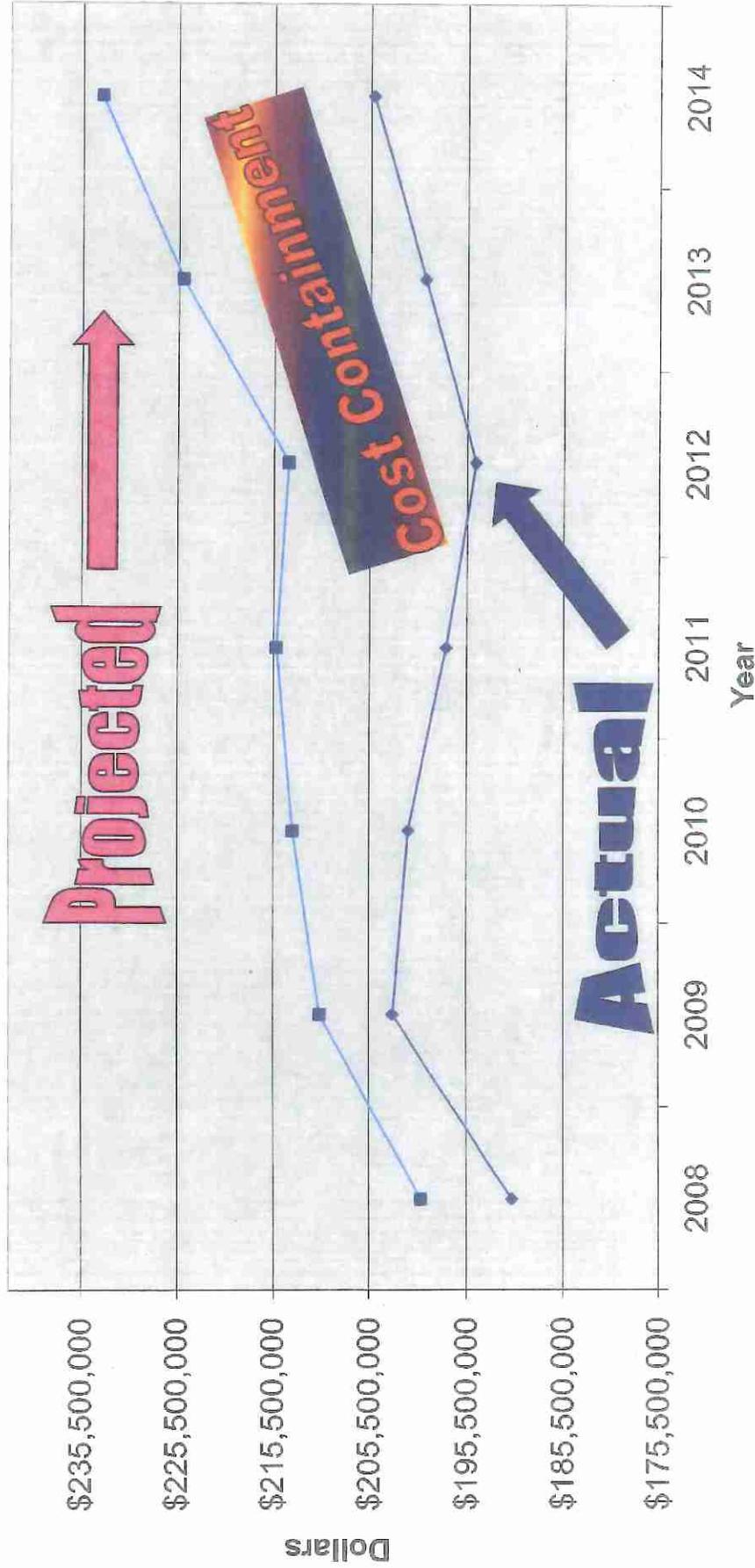
Projected Budget without Attrition & Regionalized Corrections

2008	2009	2010	2011	2012	2013	2014
\$190,824,000	\$203,092,000	\$201,505,000	\$197,630,000	\$194,593,000	\$199,819,000	\$205,145,000
\$200,177,319	\$210,606,460	\$213,476,725	\$215,189,596	\$213,952,344	\$224,978,022	\$233,392,947

\*Actual

\*Projected

Projected Budget without Attrition & Regionalized Corrections

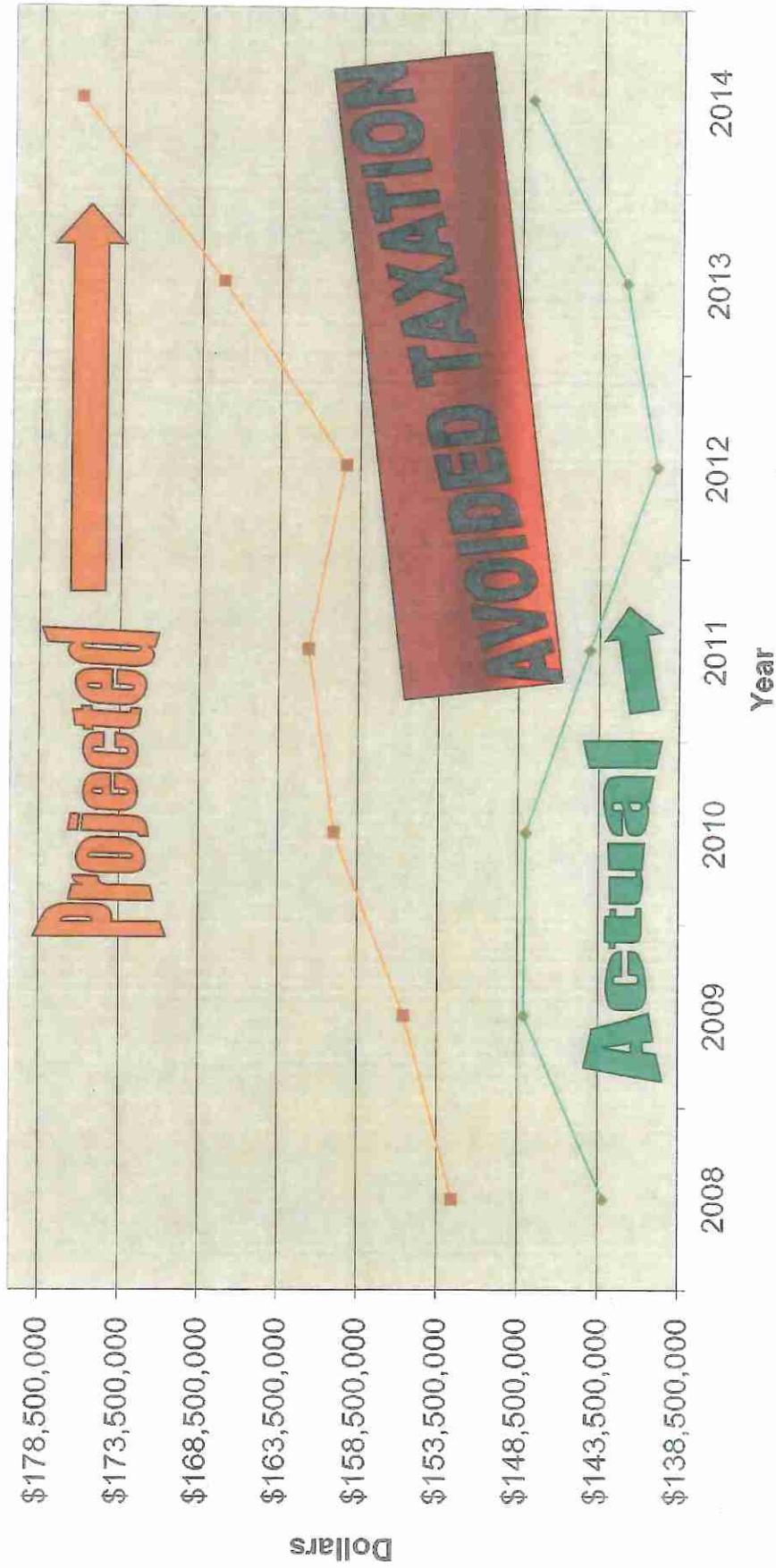


Comparison of Amount to be Raised by Taxation (without Attrition and Regionalized Corrections)

2008	2009	2010	2011	2012	2013	2014
\$143,200,000	\$148,100,000	\$148,000,000	\$144,100,000	\$140,000,000	\$141,970,000	\$147,900,000
\$152,553,319	\$155,614,460	\$159,971,725	\$161,659,596	\$159,359,344	\$167,129,022	\$176,147,947

\*Taxes Raised (Actual)  
 \*Taxes Raised (Projected)

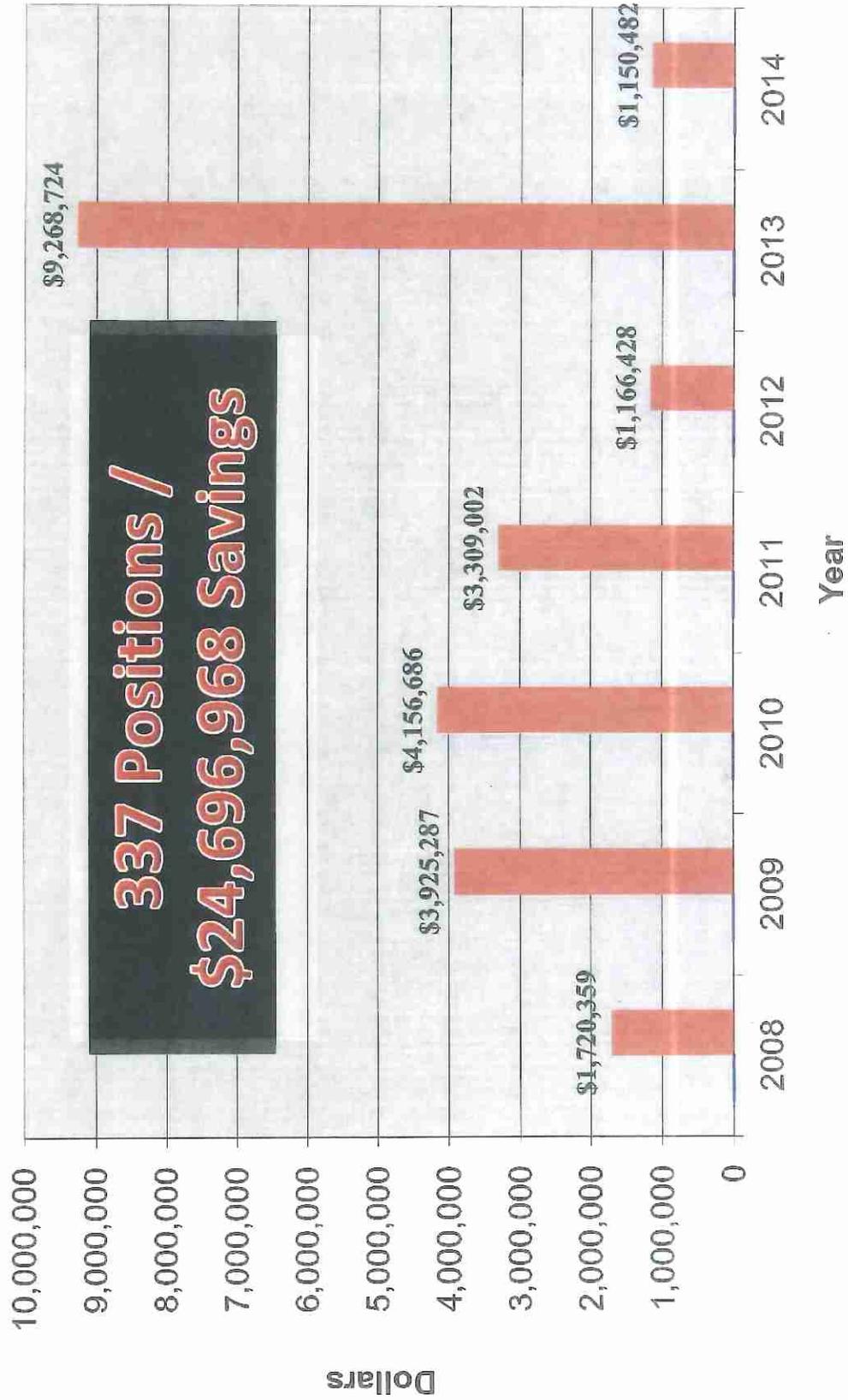
Amount to be Raised by Taxation without Attrition & Regionalized Corrections



County Attrition Program

2008	2009	2010	2011	2012	2013	2014	TOTALS
29	72	61	46	14	103	12	337
\$1,720,359	\$3,925,287	\$4,156,686	\$3,309,002	\$1,166,428	\$9,268,724	\$1,150,482	\$24,696,968

Reduction in Workforce





Department of Corrections Spending Trends

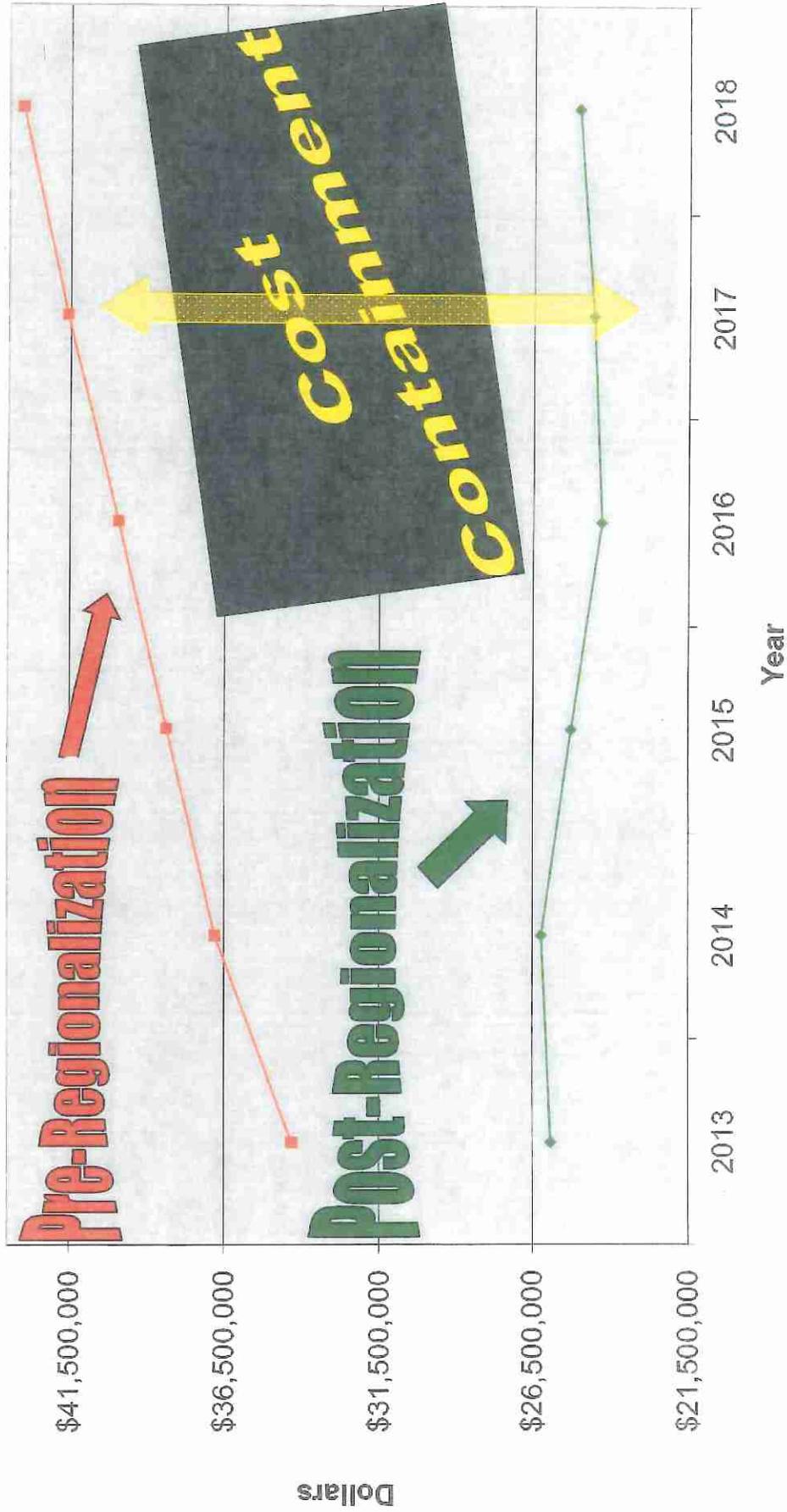
2013	2014	2015	2016	2017	2018
\$25,925,158	\$26,223,282	\$25,293,210	\$24,289,876	\$24,559,661	\$25,050,854
\$34,326,010	\$36,788,983	\$38,369,953	\$39,929,165	\$41,575,261	\$43,030,395
\$8,400,852	\$10,565,701	\$13,076,743	\$15,639,289	\$17,015,600	\$17,979,541

\*Actual & Projected Post-Regionalization

\*Projected Pre-Regionalization

\*Projected Savings

REGIONALIZED CORRECTIONS COST CONTAINMENT



## REGIONALIZED CORRECTION SAVINGS DETAIL

### Overall Financial Impact:

- 1). Estimated Cost of Corrections (Male, Female, Juveniles), 2014 \$36,788,983
- 2). Estimated Cost of Corrections, 2014 \$ 23,326,646

### Projected Net Savings, 2014 to 2018

Estimated Savings	2014	2015	2016	2017	2018
	\$36,788,983	\$38,369,953	\$39,929,165	\$41,575,261	\$43,030,395
<i>Less: All Expenses required (Operating, Capital, Fringe, Staffing)</i>	<i>\$26,223,282</i>	<i>\$25,293,210</i>	<i>\$24,289,876</i>	<i>\$24,559,661</i>	<i>\$25,050,854</i>
<b>NET SAVINGS</b>	<b>\$10,565,701</b>	<b>\$13,076,743</b>	<b>\$15,639,289</b>	<b>\$17,015,600</b>	<b>\$17,979,541</b>

### Financial Analysis, Individualized

Estimated Savings - JUVENILE DETENTION SERVICES	2014	2015	2016	2017	2018
	\$3,117,331	\$3,226,438	\$3,339,363	\$3,456,241	\$3,577,209
<i>Less: All Expenses required (Operating, Capital, Fringe, Staffing)</i>	<i>\$602,250</i>	<i>\$614,295</i>	<i>\$626,581</i>	<i>\$639,113</i>	<i>\$651,895</i>
<b>NET SAVINGS</b>	<b>\$2,515,081</b>	<b>\$2,612,143</b>	<b>\$2,712,782</b>	<b>\$2,817,128</b>	<b>\$2,925,315</b>

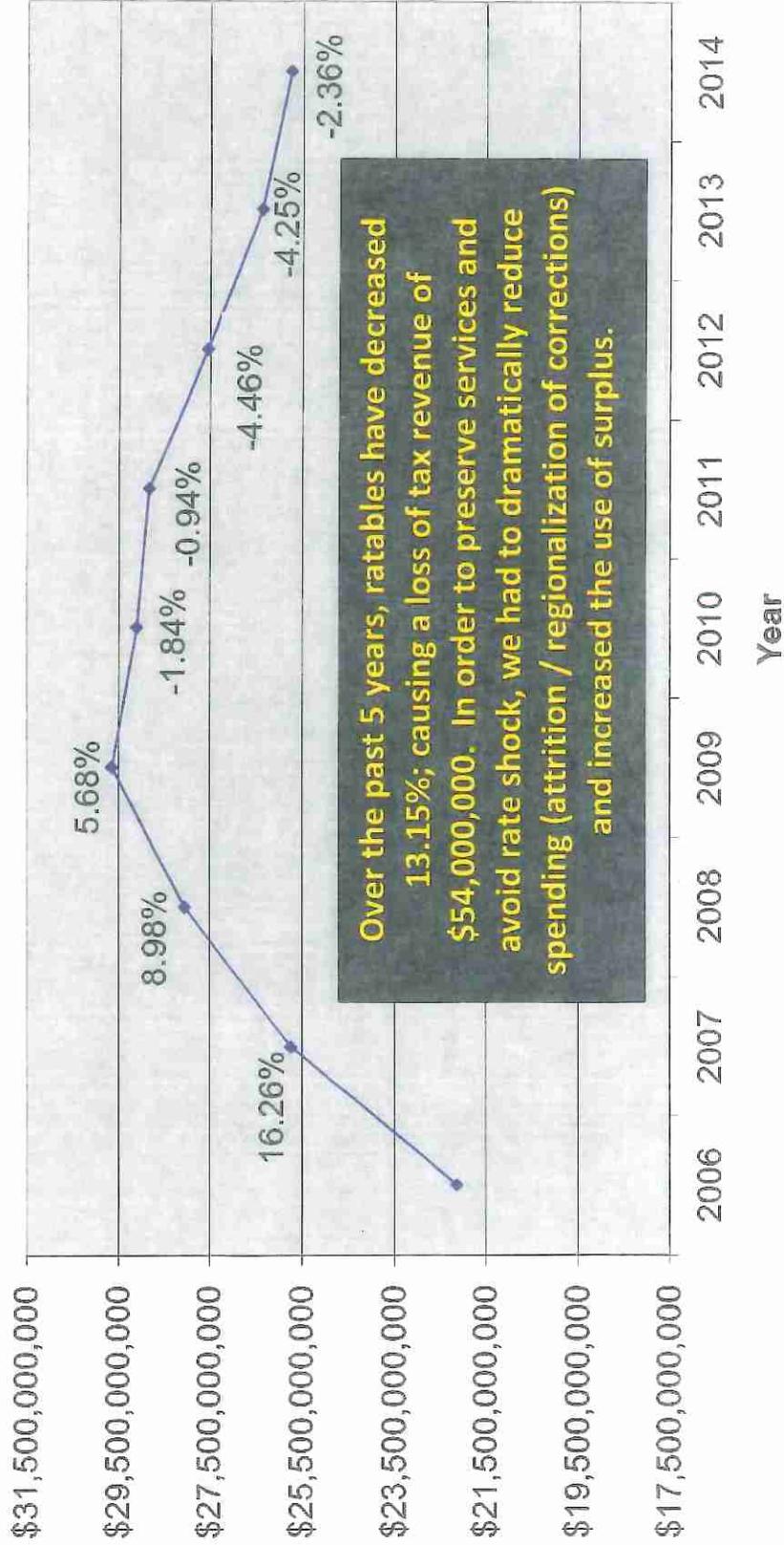
Estimated Savings - FEMALE OFFENDER UNIT	2014	2015	2016	2017	2018
	\$3,889,943	\$4,026,091	\$4,167,004	\$4,312,849	\$4,463,799
<i>Less: All Expenses required (Operating, Capital, Fringe, Staffing)</i>	<i>\$2,007,500</i>	<i>\$2,047,650</i>	<i>\$2,088,603</i>	<i>\$2,130,375</i>	<i>\$2,172,983</i>
<b>NET SAVINGS</b>	<b>\$1,882,443</b>	<b>\$1,978,441</b>	<b>\$2,078,401</b>	<b>\$2,182,474</b>	<b>\$2,290,817</b>

Estimated Savings - MALE INMATES	2014	2015	2016	2017	2018
	\$29,781,709	\$31,117,424	\$32,422,797	\$33,806,171	\$34,989,387
<i>Less: All Expenses required (Operating, Capital, Fringe, Staffing)</i>	<i>\$23,613,532</i>	<i>\$22,631,265</i>	<i>\$21,574,692</i>	<i>\$21,790,173</i>	<i>\$22,225,977</i>
<b>NET SAVINGS</b>	<b>\$6,168,177</b>	<b>\$8,486,159</b>	<b>\$10,848,105</b>	<b>\$12,015,997</b>	<b>\$12,763,410</b>

### Total Ratable Growth Trend

2006	2007	2008	2009	2010	2011	2012	2013	2014
\$22,141,015,000	\$25,741,037,000	\$28,052,514,000	\$29,645,617,000	\$29,099,745,000	\$28,825,777,900	\$27,539,059,608	\$26,367,768,361	\$25,746,396,666
Percentage	16.26%	8.98%	5.68%	-1.84%	-0.94%	-4.46%	-4.25%	-2.36%

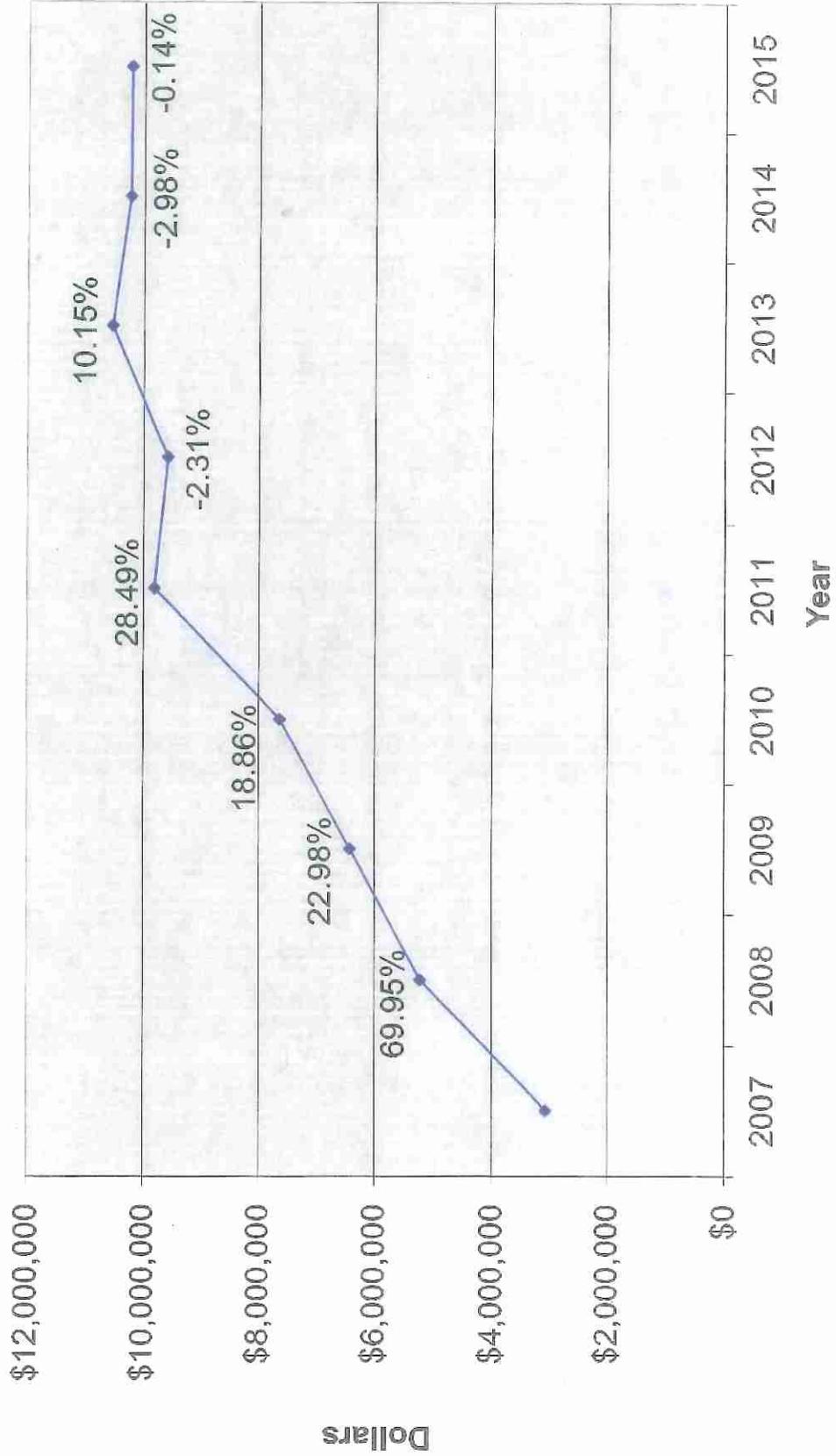
### Total Ratable Growth / Decline Trend



Pension Trends & Cost

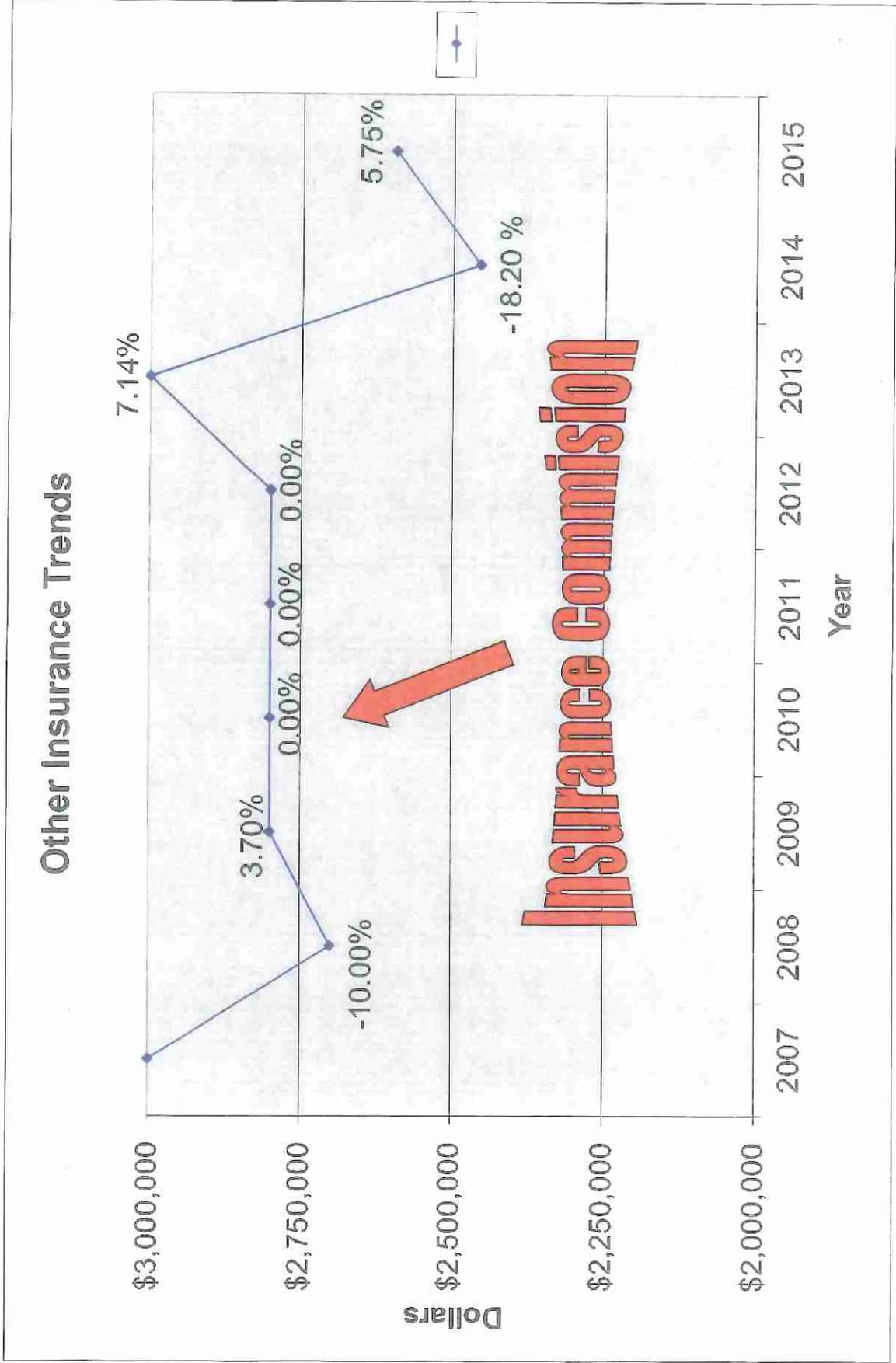
	2007	2008	2009	2010	2011	2012	2013	2014	2015
	\$3,070,540	\$5,218,387	\$6,417,445	\$7,627,577	\$9,800,935	\$9,574,074	\$10,546,198	\$10,231,995	\$10,217,225
Percentages	69.95%	22.98%	22.98%	18.86%	28.49%	-2.31%	10.15%	-2.98%	-0.14%

Pension Trends & Costs



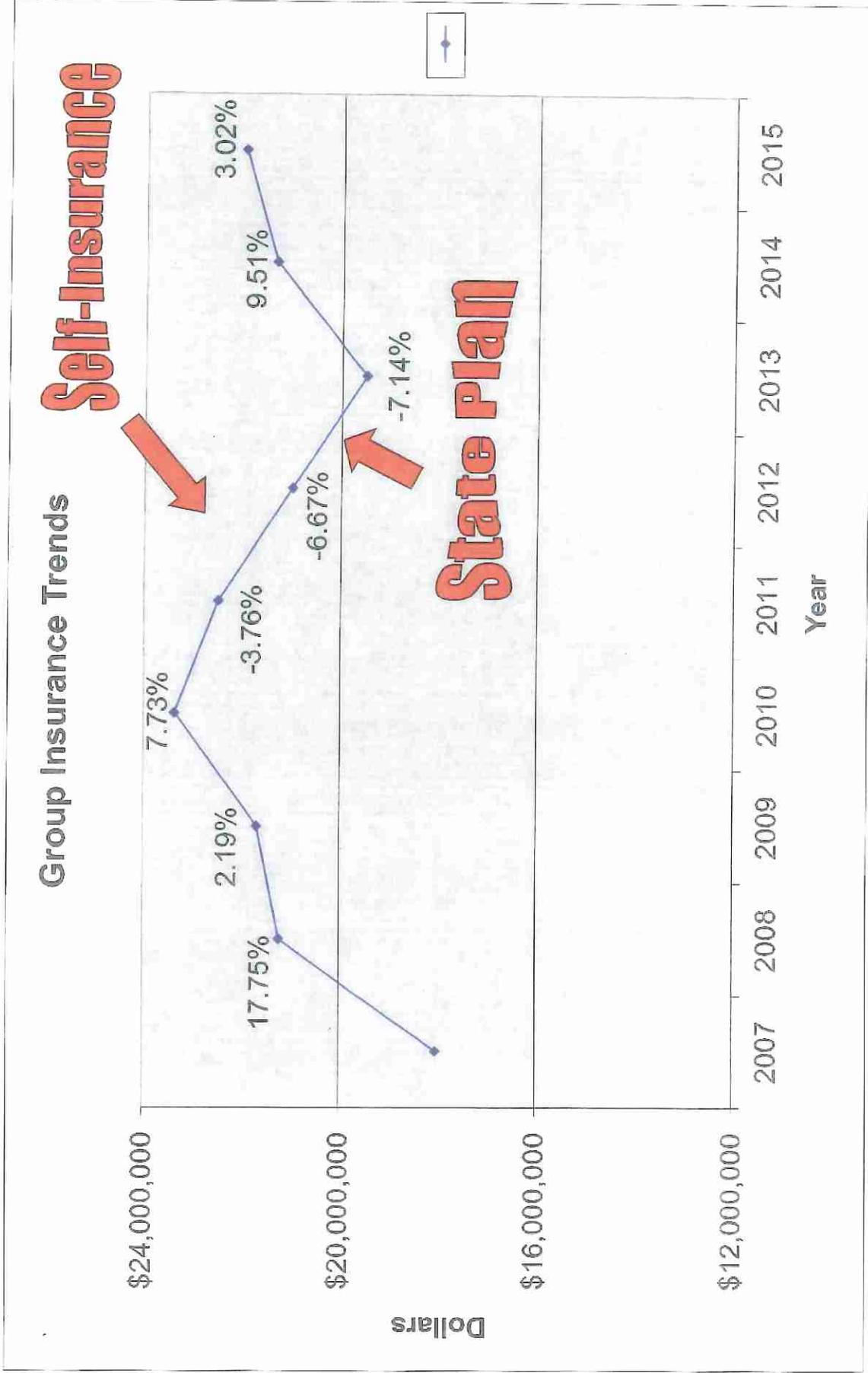
Other Insurance Trends

2007	2008	2009	2010	2011	2012	2013	2014	2015
\$3,000,000	\$2,700,000	\$2,800,000	\$2,800,000	\$2,800,000	\$2,800,000	\$3,000,000	\$2,454,000	\$2,595,000
Percentage	-10.00%	3.70%	0.00%	0.00%	0.00%	7.14%	-18.20%	5.75%



Group Insurance Trends

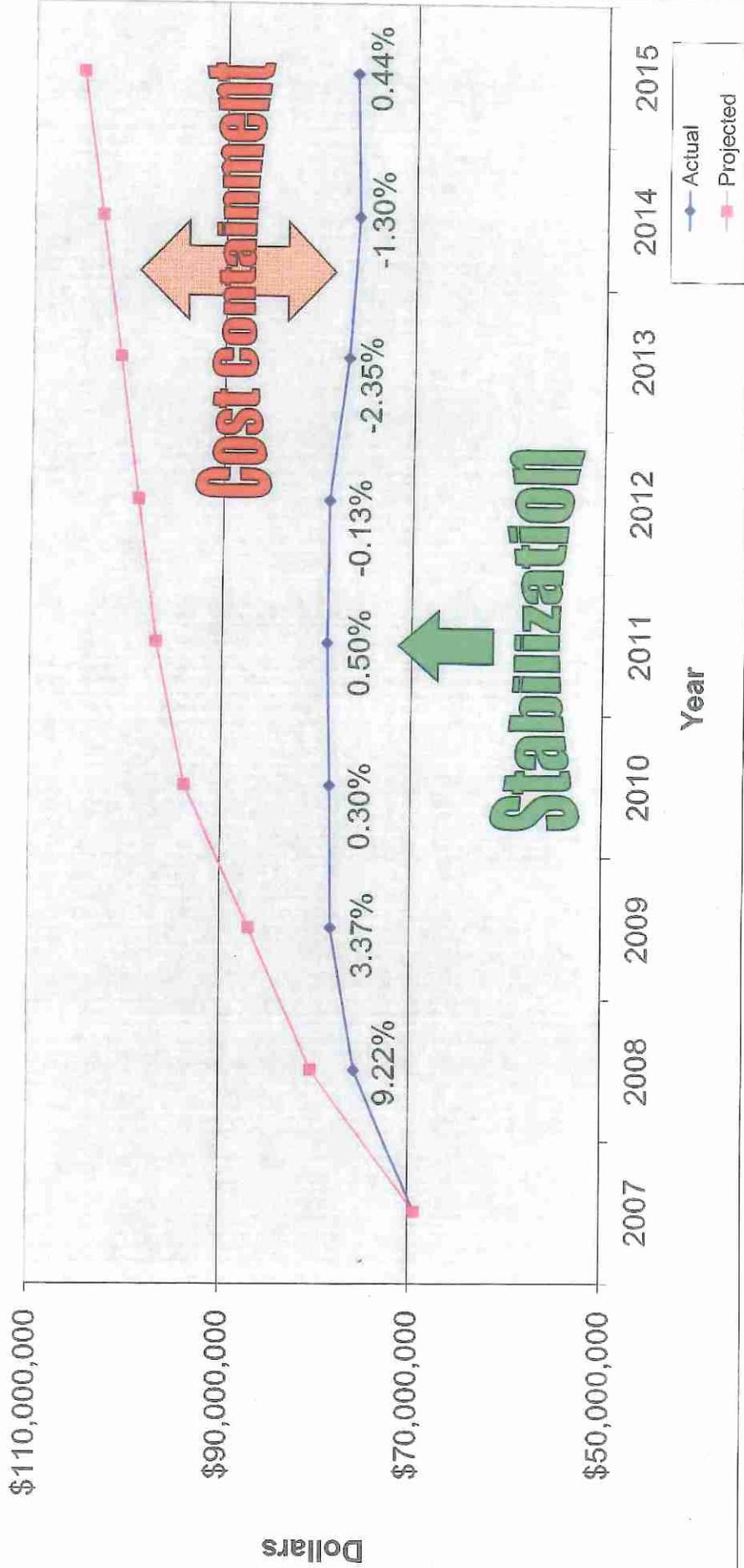
2007	2008	2009	2010	2011	2012	2013	2014	2015
\$18,035,000	\$21,236,539	\$21,701,000	\$23,379,500	\$22,500,000	\$21,000,000	\$19,500,000	\$21,355,000	\$22,000,000
Percentage	17.75%	2.19%	7.73%	-3.76%	-6.67%	-7.14%	9.51%	3.02%



# Total Salary & Wage Trends

	2007	2008	2009	2010	2011	2012	2013	2014	2015
Actual	\$69,343,000	\$75,736,000	\$78,285,000	\$78,516,000	\$78,911,000	\$78,811,000	\$76,961,000	\$75,960,300	\$76,294,000
Projected	\$69,343,000	\$80,349,685	\$87,005,712	\$93,774,361	\$96,870,116	\$98,807,518	\$100,783,668	\$102,799,342	\$104,855,329
Percentages	9.22%	3.37%	3.37%	0.30%	0.50%	-0.13%	-2.35%	-1.30%	0.44%

## Total Salary & Wage Trends

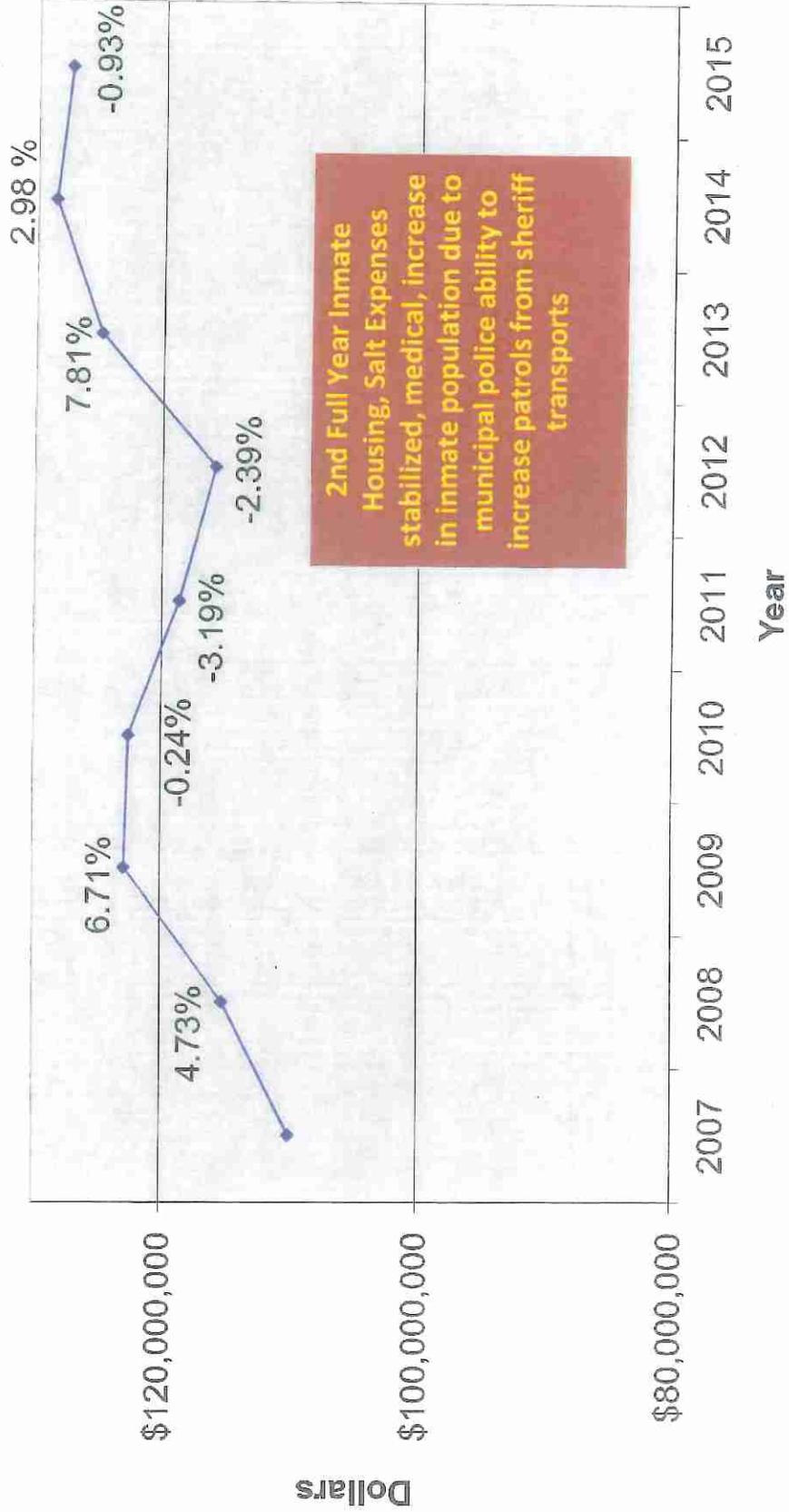


**NOTE:** 2007 Social Services joined County Budget, 2008 EMS started, 2009 More EMS, 2010, 2011 & 2012 Tax Assessing which would increase overall salary and wages; however by attritioning 337 positions and shared service initiatives contained these costs from growing at an average rate of 4.5% in '08 & '09; 4% in '10; and 2.5% in '11, '12, '13 & '14.

### Total Operating Expense Trends

	2007	2008	2009	2010	2011	2012	2013	2014	2015
	\$109,892,000	\$115,088,000	\$122,807,000	\$122,516,000	\$118,612,000	\$115,782,000	\$124,830,000	\$128,552,000	\$127,353,000
Percentages	4.73%	6.71%	6.71%	-0.24%	-3.19%	-2.39%	7.81%	2.98%	-0.93%

### Total Operating Expense Trends

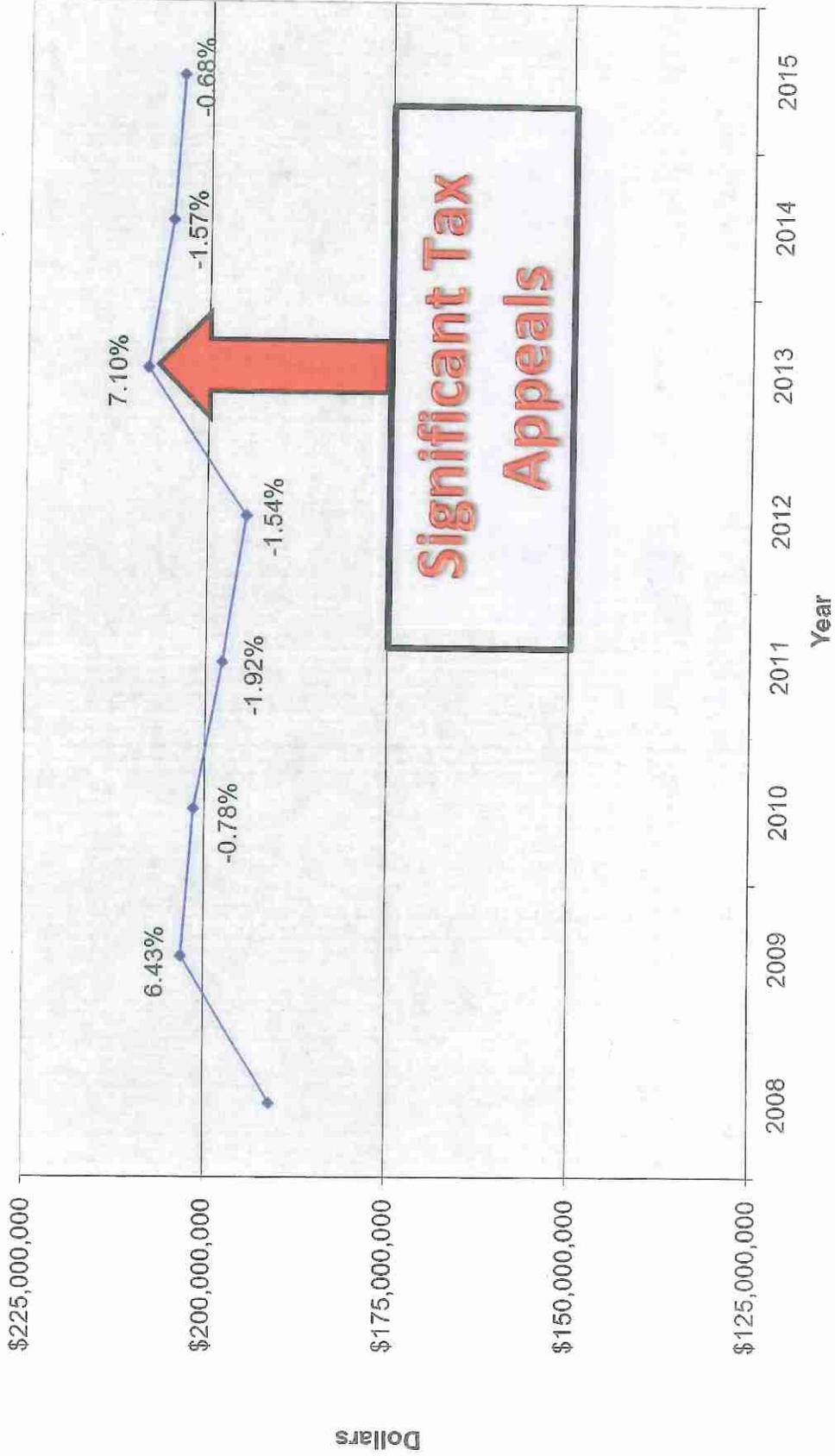


NOTE: 2007 Social Services joined County Budget, 2008 EMS started and ramped up in 2009 - 2011, Pension Increases, 2010, 2011, 2012 and 2013. Tax Assessing Pilot has been fully integrated, also in 2013 the county finalized regionalized corrections.

**Total Salary & Wage, Other Expenses & Appeals**

	2008	2009	2010	2011	2012	2013	2014	2015
	\$190,824,000	\$203,092,000	\$201,505,000	\$197,630,000	\$194,593,000	\$208,412,000	\$205,145,310	\$203,747,000
Percentages	6.43%	-0.78%	-1.92%	-1.54%	7.10%	-1.57%	-0.68%	

**Total Salary & Wage, Other Expenses & Appeals**



**Total Salary & Wage, Other Expenses & Appeals**

2013	2014	2015
\$208,412,000	\$205,145,310	\$203,747,000
	-1.57%	-0.68%

**Total Salary & Wage, Other Expenses & Appeals**

