



BERGEN COUNTY

OFFICE OF THE COUNTY EXECUTIVE

One Bergen County Plaza, Room 580, Hackensack, NJ 07601-7076
(201) 336-7300 Fax: (201) 336-7304

Kathleen A. Donovan

Bergen County Executive

State of the County Address – March 15, 2012

Good Afternoon Everyone and thank you all for joining us today.

I am pleased to report to you that the State of the County is good and it is constantly improving.

On January 18th I was proud to introduce my proposed budget to your Freeholder Board.

I am proud because after slashing \$30 million from the spending plan we inherited from the outgoing administration, we have proposed an additional \$279,000 in spending cuts this year. Last year we used a *cleaver* to cut, this year we cut with a *scalpel*!

I am proud that working together we will keep another promise; to hold tax increases below the rate of inflation. And we will do so while providing the highest quality of services which our residents have come to expect.

Every elected official in this room, whether Republican or Democrat, shares a common responsibility to the 905,000 residents of Bergen County; if we fulfill our obligations to them, we will be doing the best possible job to build our respective political parties, not for the sake of bossism and party building but for the sake of the taxpayers and residents who we both can help by working together. It's about policies which maintain Bergen County's unique quality of life while limiting the burden of taxes on residents and businesses and NOT **patronage**!

It's about making good on our promises. Of practicing what we preach. In this regard, I am proud to say the Donovan administration has been absolutely true to its word. And that's only one reason why the state of the county is the best it has been in years!

We have effectively frozen the county portion of local property tax bills by keeping our promise to cut spending. Our spending proposals have been reduced for our first two budgets ó the first time this has been accomplished in 15 years.

We have taken steps to consolidate and share services without upsetting Bergen County's unique quality of life.

We have changed the culture of County government. We have eliminated over 100 county cars and the free commute by county employees that went with them. The initial savings of \$700,000 is a fraction of our long term savings. Free cars, free gas, free insurance to them ó while you paid the bills! That has ended.

We have controlled the growth of government through job freezes and by taking a strong stance on collective bargaining. The Donovan administration will not go along with double digit percentage pay raises for the politically chosen few or anyone else. Government has tightened its belt just like the over 200,000 families we serve.

I am proud that we have replaced negative, cynical views of government with a culture of accountability and transparency. The culture of corruption is gone, but we must remain ever vigilant to ensure that it never returns. People can once again be proud and should be proud of Bergen County Government!

The modest tax increase that we have proposed is directly attributed to the 6.5 million dollar reduction in anticipated County revenue coupled with an estimated 6.5 billion dollar reduction in the county ratable base.

The increase that we proposed to the Freeholders translates to \$12.63 annually ó or \$1.05 increase per month on the average ó for households in Bergen County.

Our county operating expenses have decreased and our salary and wage line represents a modest increase of 1.56% and some of that is attributable to existing contracts.

Most importantly, this budget reflects our priorities.

For instance, we have not been forced to make further cuts to education.

While this plan does assume the difficult action of a reduction in force, we have done as much as possible through attrition. We will limit lay-offs to only those that are necessary for efficiency and economy while preserving the services that Bergen county residents expect, pay for and deserve.

It was a terrific 2011 here at the County, and I would like to speak to you about some of the initiatives and goals we achieved in 2011 and what we have in store to make 2012 another great year.

As I told you last year, I pledged to exercise the County Executive's veto power to eliminate spending abuses wherever we came across them, especially at our County Authorities. I can report to you that I have indeed wielded my veto pen as promised and reduced professional service fees, stipends, benefits and unauthorized pay increases.

At the **Northwest Utilities Authority** we have saved over \$440,000 in legal fees alone. By virtue of my veto we also saved \$30,000 in unauthorized raises and have demanded, with the blessing of the NJ Division of Local Government, the repayment of \$40,000 in stipends plus several hundred thousand dollars in health benefits from commissioners.

We ended the practice of giving salaries and benefits to the members of the **Construction Board of Appeals** saving the taxpayers over \$35,000 plus over \$100,000 in health benefits.

At the **Bergen County Utilities Authority**, the rate payers went from paying \$700,000 in legal fees in 2010 to approximately \$275,000; a savings of over \$425,000! We also vetoed \$22,000 in unauthorized raises for 12 non-contractual employees.

At the **Bergen County Improvement Authority**, we have lowered engineering fees alone by an astronomical \$2.2 MILLION dollars. Excessive legal fees were also halted at this authority with a savings of over \$22,000 in 2011. Beyond that, the BCIA is actively working with municipalities who bonded via the Bergen County Improvement Authority to refinance their debt, so they can reduce their payments and give savings to their residents. We just completed this in Fair Lawn and that municipality will see a savings of a half a million dollars over the life of their bond.

I told you today at the onset, that there are no new cuts to education in this budget and that includes **Bergen Community College**, which plays an essential role in our County. We had some tension last year at the college, but this has been a much better year working with the current board leadership. We still continue to scrutinize their agendas, question overspending, and all change orders and demand more transparencies and accountability. But it is important to note that we have never taken issue with the academic side of the college. We are helping to fund that college and we will continue to work together, we want to be sure YOUR money is being spent wisely.

I spoke to you about Asset Recovery last year, and we are pleased to tell you that we have recovered over \$100,000 (and counting) in delinquent bills at our Rockleigh facility, through the office of County Counsel.

Additionally, we analyzed our space requirements and did an inventory of county owned real estate. To date we have sold or cancelled leases on 3 surplus properties: In February of this year we auctioned off vacant property in Teaneck for \$190,000. We ended two (2) \$40,000 per year leases on a storage facilities in Garfield and Hackensack; moving our inventory to our pre-existing modern storage facility.

We found that we were underutilizing our space here at One Bergen County Plaza and a plan is in place that we began to implement at the beginning of this year. By reconfiguring our floor-plan, we can better utilize this building and the space it affords and bring many of our off-site operations, like our Health Department, presently located in Paramus, under this roof. This, in turn, will allow us to move our County Police from their antiquated headquarters on Zabriskie Street, and save us in up-keep and utilities alone of over \$200,000 per year, and allow us to sell

the Zabriskie Street facility, which is valued at least \$5 million, and also get it back on the tax rolls for the City of Hackensack.

“Shared Services” has become somewhat of a buzz phrase around Bergen County and the State of New Jersey, and I am pleased to announce today that I have chosen Alan Rappaport, a well-respected Norwood Councilman, to be the volunteer head of this important initiative for the County.

We have already begun offering shared services; the County will save over \$400,000 with energy procurement, and we have already met with interested municipalities to share this with them so they can also pass on the savings from this worthwhile program.

Our State of the Art Communications Center in Mahwah (which I inherited), the PSOC, is providing modern day dispatch services to over 24 of our municipalities in many capacities, and we are confident that more and more towns will turn to us to provide that essential service. Our goal is to maximize this investment.

There has been a lot of discussion about the County Police providing essential policing services to the Borough of Teterboro. I am pleased to report to you that in the short time we have been patrolling Teterboro, which began on January first, your County Police have responded to over 400 calls for service, 905 traffic stops, 487 property checks and have met with residents and businesses to establish emergency contacts and review alarm procedures. This shared service is not only saving the town of Teterboro over \$175,000 per year (which I know everyone here embraces) but it is generating revenue for the County, which is good for all tax payers!

The advisory committee that I formed, which is headed by J. Fletcher Creamer, to look at the findings of the \$600,000 Guidepost Study and policing in Bergen County, should be completing their work within the next few weeks. I would like to publically thank the volunteer members of this committee:

J. Fletcher Creamer, distinguished and well respected businessman and Trustee of the 200 Club. Retired Superior Court Judge William Meehan, Councilman and Police Commissioner Jeff Bader of Woodcliff Lake, Former Deputy Police Chief of Jersey City and law enforcement professional, Robert Martin, and Freeholder Maura DeNicola.

They have all given generously of their time, and I look forward to their recommendations.

We should be applauding our County Police and all of our law enforcement providers. Our County Police patrol our many parks; Campgaw Ski Area, acres of Overpeck Park, Van Saun Park and Zoo. They aid in security at Bergen Community College. They patrol our highways, keep us safe from dangerous oversized, unsafe vehicles. Among many things, our County Police perform bomb sweeps, SWAT team calls, canine calls and give aid to our municipalities when needed. These are all essential, vital services that need to be provided for the safety and welfare of all of us. The Bergen County Police Department is the perfect vehicle for cost reductions and shared services.

Let's remember, whether it's Mahwah, Elmwood Park, Rutherford or Hackensack we are all Bergen County Taxpayers!

In looking at the County's 2012 budget appropriations the County Police make up only 3.02% of the total appropriation, compared to the Prosecutor's Office which is at almost 6% and the Sheriff's Office consumes over 12%. We saved \$3.5 million when my administration re-negotiated the contract with our County Police, while budgets, especially salaries, have continued to sky-rocket in the Sheriff's Department ó the Sheriff's Department recently negotiated, without allowing me or someone from my labor negotiating team to sit at the table, a contract of reckless spending that I can assure you I will **not** be signing. This contract would have cost us, with not one dollar in concessions, an additional **\$10.5 million dollars over 4 years**. This is absolutely unacceptable!

Let's talk about some more cost savings initiatives we have had over the past year and continue to expand on.

We have significantly reduced our fleet of vehicles throughout the county, and more importantly we have changed the past culture where so many county employees were taking vehicles home. We've done this from the top down! No one on my staff or any department heads or directors have county cars, those days are over! This initiative alone has seen a total savings of over \$649,000.

In analyzing our fleet, we were immediately able to sell over 120 cars. We conducted 2 auctions, in conjunction with the Prosecutor which grossed over \$446,000.

We have realized savings of over \$133,000 with downsizing and the installation of GPS systems. We continue to see savings in insurance, fuel and maintenance costs.

We have saved over \$70,000 by bidding our vehicle purchases instead of automatically buying under state contract.

Here are some of our plans for 2012:

We have begun a system of centralized purchasing for our daily office supplies. Again, we are changing the culture, by having a centralized supply system. I don't ever want to again see storage rooms filled with expired printer cartridges for printers which are obsolete ó that happened during the last administration and greeted us when I took office.

I am happy to say that with help from Prosecutor John Molinelli and his generous donation of \$7 million from his forfeiture funds, we will be beginning construction of our Court House additions. And how fitting when we are celebrating the 100th Anniversary of our Court House Complex!

Overpeck Park will finally be getting a main entrance! We will be finishing what my predecessor failed to even begin and we will be doing it for substantially less money,

\$1.6 million less than they were planning to spend. Also, area Four in Overpeck will finally receive the environmental cleanup that it should have received over the last several decades.

Our Parks Department is invigorated and they are planning so many great activities including a County Fair this fall at Overpeck. We are continuing to expand what we offer at our wonderful parks, adding activities and programs that are of interest to all Bergen County residents young and not so young. We are a diverse, unique community and our parks and the programs we offer reflect that diversity. With the anticipation of the SuperBowl and Wrestlemania, Bergen County is an up and coming tourist destination and we are ahead of that, and working on ways to further promote our assets.

I would be remiss if I didn't acknowledge our terrific County Employees, Department Heads and Directors; we are all a part of this team.

Introduce: Ron Kistner, Director of Parks

Joe Crifasi, Director of Public Works

Jane Linter, Director of Human Services

Dr. Nancy Mangieri, Director of our Health Department

Rob Garrison, Director of Planning and Economic Development

Jim Sattely, Director of the Department of Law and County Counsel

Our Director of Law and Public Safety and Chief of the County Police Brian Higgins

And most especially, my County Administrator and Director of Administration and Finance, Ed Trawinski and my Chief of Staff, Jeanne Baratta.

We work together, never forgetting that we work for the people. I am confident that we will continue to serve you, always looking for ways to do it smarter and more efficiently.

We are all facing challenges. We will face them squarely and forthrightly; once again, ever mindful that we are here under the authority of the people. It is their interests we represent and we must do so to the best of our ability, there is no other way.

Thank you all again for joining us today, I am looking forward to another great year for the County of Bergen. And I thank you for giving me the privilege of serving you as County Executive.

God Bless you, God Bless Bergen County and God Bless America. Good Afternoon.