

NEW JERSEY ASSOCIATION OF COUNTIES

County Government with a Unified Voice!

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STATE HOUSE NEWS

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911 FEES

As previously reported, NJAC is in the process of collecting and summarizing the data from all twenty-one counties concerning the costs associated with operating and maintaining county 9-1-1 centers. As of this writing, 15 counties have reported that they've spent over \$219.0 million in capital improvements over the last five years. These improvements may include facility upgrades; and, the purchase or lease of hardware and software such as telephone systems, computer aided dispatch, location mapping technology, voice recording technology, data analytics, and NextGen 9-1-1. These 15 counties also spent an estimated \$76.0 million in 2016 on operating expenses, which may include administrative costs such as salaries, staff training, ongoing systems maintenance, network security costs, and IT consulting services. On the average, these counties provide some level of 9-1-1 dispatch services for approximately 73% of the municipalities located within their borders. The table and footnotes below summarize our preliminary findings, and we'll make sure to add additional counties as that information becomes available.

COUNTY	5 YEAR CAPITAL INVESTMENTS ¹	2016 OPERATING EXPENSES ²	MUNICIPALITIES ³
Atlantic ⁴	\$3,754,702.00	Not Applicable	Not Applicable
Bergen	\$6,005,549.00	\$4,492,759.00	21/70
Camden ⁵	\$36,349,912.00	\$11,476,414.00	37/37
Cape May ⁶	\$5,811,000.00	\$670,000.00	12/16
Cumberland ⁷	\$4,430,000.00	\$2,626,000.00	14/14
Gloucester ⁸	\$17,960,100.00	\$15,970,595.00	24/24
Hudson ⁹	\$120,000.00	\$1,703,064.00	9/12
Hunterdon	\$2,405,000.00	\$2,250,794.00	26/26
Mercer ¹⁰	\$9,866,065.00	\$2,670,434.20	12/12
Monmouth ¹¹	\$81,953,303.00	\$13,156,359.00	32/53
Morris ¹²	\$31,704,000.00	\$6,426,470.00	27/39
Salem ¹³	\$1,758,000.00	\$2,074,000.00	15/15
Somerset ¹⁴	\$10,941,350.00	\$6,963,213.00	19/21
Sussex	\$3,326,720.00	\$902,642.00	10/24
Warren	\$2,875,000.00	\$4,061,650.00	21/21
COUNTY TOTALS	\$219,260,703.00	\$75,444,395.00	279/384 (73%)

FOOTNOTES

1. This column summarizes each county's capital costs for the last five years for its 9-1-1 center, which may include facility improvements; and, the purchase or lease of hardware and software such as telephone systems, computer aided dispatch, location mapping technology, voice recording technology, data analytics, and NextGen 9-1-1.
2. The column summarizes each county's 2016 annual operating costs for its 9-1-1 center, which may include administrative costs such as salaries, staff training, ongoing systems maintenance, network security costs, and IT consulting services.
3. This column summarizes the number of municipalities in each county and the number of these municipalities that utilize the county's 9-1-1- center for dispatch and emergency services.
4. Atlantic County reported that the County does not operate a dispatch center. However, the County owns a radio tower utilized by the first responder network in the County. The five year capital investments represent of the County's commitment to the tower for which it has two pending purchase orders for upgrades in 2017 totaling \$779,551.00.
5. Camden County reported that from 2011 through 2016 the County purchased a \$45.0 million "state-of-the-art" 700 MHz P25 Phase 2 public safety radio communications system with 256 AES encryption for law enforcement users throughout Camden County. Currently, 36 of Camden County's municipal law enforcement agencies use this interoperable public safety radio communications with the 37th and final municipal police department migrating to the system in 2017. The prosecutor's office, sheriff's office, and correction's department also utilize the system. All 37 municipalities' fire and EMS agencies utilize the non-encrypted segment of the system. The system provide seamless interoperability within Camden County's police, fire, and EMS communities, as well as Burlington and Gloucester County's police, fire, and EMS agencies, the New Jersey State Police, the police agencies at Rowan and Rutgers universities, the Delaware River Port Authority Police Department, and several federal law enforcement agencies. Additionally, the Camden County Communications Center provides 9-1-1 call-taking for all 37 municipalities, Fire and EMS radio dispatching for all 37 municipalities, and Police dispatching for 34 municipalities, with a 35th municipality scheduled to be added to the police dispatch responsibilities on January 1, 2018. The Camden County Communications Center is adding 9-1-1 call-taking and dispatch responsibilities for the Camden County Police Department in 2018 As such, 9-1-1 call-taking and radio dispatch equipment additions are estimated at approximately \$2.5 million; CAD upgrade at approximately \$2.0 million; and annual salaries at approximately \$2.0 million. The Next Gen 9-1-1 upgrade is anticipated to cost an additional \$3.0 million.
6. Cape May County reported that it will assume additional municipal Public Safety Answering Points (P.S.A.P.) over the next several years at an estimated cost of approximately \$250,000.00 for each additional P.S.A.P. The County anticipates

- spending an additional \$140,000.00 for computers, thin clients, monitors, switches, routers, and firewalls to open the new center in 2017. Additional furniture (workstations) and fixtures will cost \$500,000.00 in 2017.
7. Cumberland County reported that all cell phone calls are directed to the Cumberland County 9-1-1 Center. If the call is a request for police dispatch/help the call is transferred to the appropriate police dispatch center - either municipal or State Police depending on the municipality. Cumberland County's 9-1-1 center does fire dispatching for all 14 municipalities; and ambulance dispatching for all municipalities except for the City of Vineland. The county is in the process of reviewing the need to upgrade their radio system at a projected cost of \$19,000,000.00.
 8. Gloucester County reported that the County's dispatch center handles emergency dispatching to all 24 municipalities in the County, as well as five additional municipalities in Atlantic County.
 9. Hudson County reported that the Hudson County Sheriff's Office Regional 9-1-1-Center is a certified PSAT Communication Hub, which provides essential emergency life safety service support to 9 municipalities throughout Hudson County, as well as five other emergency service entities. The County is anticipating \$9,244.91 in capital costs for 2017, and anticipates making eight new hires at total salaries of \$367,413.00. Additionally, upgrading to NextGen 9-1-1 is anticipated to cost in excess of \$550,000.00.
 10. Mercer County reported that other than text to 9-1-1, the County's dispatch does not handle law enforcement calls. The County provides text to 9-1-1 for all 12 municipalities; fire dispatching to 11/12 municipalities; BLS EMS dispatching to 9/12 municipalities and, ALS EMS dispatching to all 12 municipalities.
 11. Monmouth County reported that the County's 9-1-1 center handles emergency dispatch for 22 police agencies, 32 EMS squads, and 60 fire departments.
 12. Morris County reported that the County's 9-1-1 center handles full municipal police dispatch for 22 towns, fire dispatch for 27 departments, and EMS dispatch for 24 squads.
 13. Salem County reported the County's 9-1-1 center handles 9-1-1, Fire and EMS dispatch services for all 15 municipalities in the County. The County also provides police dispatch for seven municipalities, as well as for the County Sheriff and Prosecutor.
 14. Somerset County reported that the County's 9-1-1 center handles dispatch for 19 municipalities in the County and for one municipality in Middlesex County.
 15. Pursuant to the "Middle Class Tax Relief and Job Creation Act of 2012," the federal government is mandating 9-1-1 centers across the nation to vacate the use of 500 MHZ bandwidth for public safety broadband communications, and is encouraging the centers transition to the use of 700 MHZ bandwidth. *(At a minimum, Atlantic, Burlington, Camden, Cape May, Cumberland, Middlesex, and Monmouth counties have transitioned, or are planning to transition, to 700 MHZ bandwidth at a cost of \$20.0 to \$40.0 million per county).*

LOCAL GOVERNMENT INVESTMENT POOLS

On Monday, the Senate Community and Urban Affairs Committee will consider **SENATE, 2978** (*Beach D-6*), which would permit local units and school districts to invest in local government investment pools managed in accordance with applicable Governmental Accounting Standards Board (GASB) guidelines. NJAC and the New Jersey Association of County Finance Officers (NJACFO) support this legislation as it would authorize local governing bodies to use safe and liquid investments with competitive interest rates.

As you may recall, in 2014 the Securities and Exchange Commission (SEC) promulgated new rules that took effect in April of 2016, which forced money market funds to abandon the stable Net Asset Value (NAV) for a floating Net Asset Value (NAV). The rule changes also imposed penalties and early redemption fees for the premature withdrawal of funds often used to meet liquidity needs. NJAC objected to these untimely corrections to the capital markets as they will ultimately impair a county governments' ability to manage cash reserves and obtain low cost financing for critical infrastructure projects. Prior to the SEC's rule changes, county governments relied on the stability of managing cash with a consistent principal value, and will now be forced to either limit the scope of vital projects or risk spending additional taxpayer dollars on financing.

In response to the SEC's rule changes to the structure of money markets, GASB published comprehensive guidelines in 2015 to establish criteria for external investment pools that will measure investments by amortizing cost for reporting purposes, provided that the pools use a stable NAV and meet all GASB requirements concerning investment, maturity, quality, diversification, and liquidity. The GASB guidelines also require investment pools and pool participants to disclose any limitation on participant withdrawals. GASB is an independent private-sector organization that establishes accounting and financial reporting standards for national, state, and local governments that follow Generally Accepted Accounting Principles (GAAP). NJAC and NJACFO plan on testifying in support of this important and timely measure on Monday; and, are urging the Assembly State and Local Government Committee to consider **ASSEMBLY, 4404** (*Greenwald D-6*) as well.

SOURCE SEPARATION OF FOOD WASTE

Special thanks to the South Jersey Freeholders Association (SJFA), Cumberland County, and Ocean County for contacting their legislative delegations to discuss our concerns with **SENATE, No. 771** (*Smith D-17/Bateman R-17*), which would mandate the source separation of food waste from other streams of waste.

As has been well documented, county governments across the State have invested substantial taxpayer dollars into state of the art landfill gas to energy (LGTE) facilities that utilize methane gas produced from decomposing organic food waste to generate

sustainable, clean, and reliable energy. In fact, Atlantic, Burlington, Cape May, Cumberland, Middlesex, Ocean, Monmouth, Salem, Sussex, and Warren counties have committed considerable resources into cutting edge LGTE facilities, which remove harmful methane gas from the environment and generate Class One electricity as classified under the “Electric Discount and Energy Competition Act.” With this in mind, NJAC is concerned with the fact that this legislation would divert critical volumes of decomposing organic food waste from county LGTE facilities, which would jeopardize their economic viability.

For the reasons set forth above, NJAC is respectfully requesting the following amendments to S-771 to exempt county LGTE facilities that have dedicated valuable property taxpayer dollars to cutting edge energy producing, recycling, and solid waste management activities. *“A large food waste generator shall be deemed in compliance with the provisions of this section if: (a) the large waste food generator is sending its food waste for final disposition to a sanitary landfill facility that as of the date of enactment of this act is delivering and continues to deliver landfill gas to one or more landfill gas to energy facilities generating electricity with the landfill gas; and, (b) the large food waste generator annually notifies the Department of Environmental Protection in writing of its disposal at such a landfill on a form provided by the Department.”* S-771 is currently on Second Reading in the Senate; and, its counterpart **ASSEMBLY, NO. 2417** (*Eustace D-38/Zwicker D-16*) is currently in the Assembly Environment and Solid Waste Committee awaiting consideration.

HEALTH INSURANCE INFORMATION REPORTING

On June 1st, NJAC noted its support for **ASSEMBLY, NO. 4798/SENATE, NO. 2459** (*Watson D-29/Tucker D-28*)(*Rice D-28*) before the Assembly Financial Institutions and Insurance Committee.

In summary, this legislation would require health insurance consultants and carriers to provide certain health insurance information to local units and school boards with at least 100 covered participants. The bill would further require such information to be reviewed in advance of the preparation of their annual budgets. Under the bill, a health insurance consultant that contracts with a local unit or school board would be required to annually disclose to the unit or board the amount of compensation received in the prior year from a carrier for any insurance consultant services provided in connection with a contract awarded to the carrier by the unit or the board. The bill would make the compensation disclosure requirement a part of the contract between the health insurance consultant and the unit or board. If a health insurance consultant fails to make a required annual disclosure, the unit or board would be permitted to terminate any contract with the consultant and collect a civil penalty from the consultant in addition to any other remedies that may be provided by contract.

The bill would also require a carrier that contracts with a local unit or school board to provide health care data on a biannual basis. The carrier, local unit, and school board would be required to comply with the applicable provisions of federal health privacy rules, and with other proprietary requirements related to the collection and release of health care data. The bill would make these reporting requirements a part of the contract between a carrier and the local unit or school board. If a carrier fails to meet a biannual reporting requirement, the local unit or school board would be permitted to collect a civil penalty from the carrier and to terminate any contract with the carrier, in addition to any other remedies that may be provided by contract. NJAC supports this legislation as it would help local governing bodies make more informed decisions concerning health insurance usage and costs. A-4798/S-2459 is on Second Reading in the General Assembly.

DEED PROCUREMENT SERVICES

On June 12th, NJAC noted its support for **ASSEMBLY, No. 1652/SENATE, No. 1962** (*Schaer D-36/Muoio D-36*)(*Turner D-15/Cruz-Perez*) before the Assembly Regulated Professions Committee.

In summary, this legislation would require non-governmental entities providing deed procurement services to make certain disclosures when soliciting clients. The measure would make it an unlawful practice and a violation of the consumer fraud act for any person to: (1) use a written form of communication to solicit clients for deed procurement services unless the written form of communication displays, in a clear, conspicuous, and prominent manner and makes the information stand out from the rest of the text of the communication, the address and telephone number of the appropriate county clerk's office through which the recipient could obtain a copy of the deed directly, the amount of the fee provided for in Title 22A of the New Jersey Statutes that the county clerk assesses for providing copies of deeds and any other language that the Director of the Division of Consumer Affairs may prescribe by regulation; or (2) create a false impression in a solicitation for deed procurement services that the recipient is in any way legally required to use the person's services in order to obtain a copy of a deed.

The bill defines "deed procurement services" as the provision by a non-governmental entity of one or more copies of deeds for lands, tenements, or other realty in this State to a property owner, for a fee in excess of the amount authorized under Title 22A of the New Jersey Statutes that the county clerk's office assesses for providing copies of deeds, and not in relation to the transfer or sale of, or the mortgage origination, mortgage servicing, mortgage refinancing, property tax servicing, or other action initiated by or on behalf of the owner with respect to, such lands, tenements, or realty. The bill would also require that any person who uses a written form of communication to solicit clients for deed procurement services shall, at least 15 days prior to distribution, provide a copy of such written form of

communication to the county clerk's office in each of the counties in which the written form of communication will be distributed.

NJAC supports this legislation as it would protect consumers from companies that often mislead consumers into overpaying for mortgage, deed, and other documents readily available through the offices of the county clerks and registers of deeds. These companies often charge up to 700% of what it would cost consumers to obtain the same information at their respective county offices. Although several counties have issued public warnings to residents, this legislation would effectively regulate this deceptive practice. A-1652/S-1962 is on Second Reading in the General Assembly.

UPCOMING NJAC EVENTS AND THE ANNUAL CELEBRATION OF COUNTY GOVERNMENT

Don't miss NJAC's next Board of Directors meeting set for 9:30 a.m. on June 23rd in Committee Room 6 of the State House Annex in Trenton where the Board will discuss the State's continued diversion of 9-1-1 fees, caps on binding interest arbitration awards, and much more. And, we look forward to seeing you at NJAC's Annual Night at the Ballpark on July 20th to watch the New Hampshire Fischer Cats take on the Trenton Thunder at Arm & Hammer Park in Trenton. This event is free for county officials, but space is limited, so check out our website at www.njac.org for additional details.

STATE HOUSE TRIVIA: *Did you know* that during the 2016/17 legislative session, which ends in January of 2018, members of the New Jersey General Assembly have already introduced a record 5000 bills?

"A perfect summer day is when the sun is shining, the breeze is blowing, the birds are singing, and the lawn mower is broken." - James Dent