Consolidation/Shared Services Study Commission of Princeton Township and Borough: FAQ's Commission www.cgr.org/princeton

1. Will efficiencies be achieved as a result of Consolidation or additional Shared Services? If so, what might some of these efficiencies look like?

Yes. In a consolidated municipality there will be administrative efficiencies – one administrator, one clerk, as well as unified police, public works, court and other departments. Shared services will also provide some opportunities for efficiencies and improvements – for example, if police are merged, the nearest police officer will respond to a call without having to determine whether it is in the Borough or Township; if public works are merged, public works will plow an entire street without stopping at the municipal border.

2. What will happen to the range and level of service in each of the municipalities? Will one do better as a result of consolidation and one do worse? Specifically, will there still be municipal solid waste removal in the (former) Borough? Will there be municipal waste removal in the (former) township?

The range and level of services in each portion of the municipality will be maintained and equal throughout. Municipal trash removal will continue in the former Borough and the Commission is investigating whether it can be extended to the former Township.

3. If there is consolidation, how will previously incurred debt be apportioned between the two municipalities?

Because the debt levels of the two communities are virtually identical and the tax impacts are the same whether the debt is apportioned or shared, the Commission recommends that the debt be shared. In a consolidated community, all of the assets acquired with the borrowed funds will be owned and used by the entire community. 4. What will the associated savings of Consolidation or shared services be? Will Consolidation help flatten the increase in municipal costs going forward?

The Commission is endeavoring to identify reductions in costs both upon the implementation of a shared service or upon commencement of a consolidated town and in subsequent years. Detailed financial information on savings and the impact on taxpayers in each municipality will be available in the coming weeks.

5. Will the unique nature of the Borough or Township be compromised by Consolidation? How can Borough residents insure that the voters in the (former) Township will have the same level of commitment to the downtown that the Borough currently provides?

The Commission recognizes that residents from throughout the community want to preserve the unique assets of the community that caused them to choose Princeton as their home. To gauge residents' priorities, Commission members have met with many organizations and with residents throughout the community, and the Commission has held two focus groups with voters selected randomly from every election district in both the Borough and Township. Universally, residents cite the downtown as an important asset that is key to the character of the town, and all recognize that it must be preserved. Similarly, residents report that they use and enjoy the parks and open space throughout the community. These assets are cited by residents of both the Borough and the Township, whether they reside in close-in neighborhoods or on the outskirts of town, as reasons why they have chosen to live in Princeton.

In its consideration of the operation of merged departments, the Commission has kept the differing needs of the downtown and the outer portions of the community in mind, and we are committed to putting forth a plan that capitalizes on the efficiencies possible with larger departments but also preserves and, when possible, improves current levels of service in every section of the community.

The Commission is also considering ways to preserve neighborhoods with the possible use of Advisory Planning districts that could provide a stronger citizen voice to zoning issues.

6. Will a merged Police Department be able to provide the needed level of service in both municipalities?

Yes. The Commission has worked closely with a Police Task Force comprised of both Chiefs of Police and their respective command staffs to understand the current and historical levels of police service provided to both communities, manpower requirements, as well as the support services provided to the Princeton University Department of Public Safety. In addition, we have analyzed 9-1-1 calls for service volumes as well as crime data to further characterize the service needs of the community. We are confident that a merged Police Department can provide efficient and cost effective police services to the Borough and Township, including various support services provided to Princeton University.

7. Will the new form of government include a ward system? Why or why not?

No it will not. The only two forms of government that allow wards are the Mayor-Council and the Council-Manager. After considerable deliberation the subcommittee decided that the best form of government for a consolidated community would be the Borough form. The reasons are presented in the next item (#8).

8. Please explain why the Commission has chosen the Borough form of government. What were the other choices?

In the State of NJ there are 7 forms of government from which to choose. There is also the option of forming a government under a special charter. The Commission set certain criteria to help choose the form of government including: a.) we want to directly elect the mayor and b.) the Commission wants a form of government in which the representatives have a strong voice and direct access to the administration of the municipality. The best form of governance meeting these criteria is the Borough form of government. In addition, the Borough form of governance is familiar to the community and – in the opinion of the Commission – works well, given the experience to date.

The Commission is aware that wards appeared to offer continued neighborhood representation that is important to many residents. However, a strong disadvantage to the selection of the ward system is the fact that the actual wards are selected by the County Board of Elections, are not necessarily selected along neighborhood lines and could not be selected until after a vote for consolidation in a referendum in both municipalities. The Commission felt that asking voters to select consolidation with such uncertainty in the actual governance was not a#easonable choice. 9. What are the associated transition costs of Consolidation or additional shared services? Where will the money come from to pay these costs?

There will be some transition costs, such as standardizing uniforms and equipment, consolidating code books, printing, moving/relocation costs, harmonization of salaries, and town and municipal signage. In the next few weeks the Commission will itemize these costs and, as provided by the law governing municipal consolidations, will submit an application to the State for the funds needed to cover transition costs.

10. If Consolidation is recommended, approved by the governing bodies and voted in on Election Day, 2011, will Princeton automatically become consolidated on November 9, 2011? If not, please explain how the changes would be phased in?

No. During 2012 there will continue to be two governing bodies. There will also be a transition team, assisted by the State, who will oversee the process of becoming a consolidated community commencing on January 1, 2013. In November 2012 the mayor and council of the consolidated community will be elected. The transition to a fully consolidated community will continue over a five-year period.

11. What is the timeline for the work of the Commission? What will happen between this spring and November 2011?

May 11, 2011 – Public Meeting to Present Options & Recommendations – Township Committee Meeting Room, Municipal Building, Witherspoon Street. 7:30 p.m.

May 25, 2011 – Commission meeting to finalize recommendations and vote on whether to recommend consolidation and/or shared services. Assuming a referendum is recommended, next steps in the process are:

June 1, 2011 – Commission recommendations sent to New Jersey Department of Community Affairs along with request for funding of estimated transition costs.

June 22, 2011 – All recommendations are finalized and the final Commission report is transmitted to the Township and the Borough.

June, July, August – the two governing bodies conduct their review of the recommendation and hold a joint public hearing.

August 18, 2011 – wording of referendum approved by both governing bodies and forwarded to County Clerk for inclusion on the ballot.

November 8, 2011 - Vote

12. If the Princetons consolidate, what will happen to the municipal buildings and other assets? Can some assets be sold?

It is anticipated that there will be reallocation of departments between the two existing municipal buildings. For example, because of the quality of the police facilities in the township municipal building, it is expected that a joint force would be based there. As part of its analysis of a consolidated or shared public works operation, the Commission will make recommendations for utilization of existing public works facilities. Final decisions on utilization or disposition of existing assets will be made by the governing bodies during the transition period and by the new governing body in the succeeding years.

13. How does a favorable vote for consolidation affect the elections this fall of Borough Council and Township Committee members?

The winners will take office in January 2012 and serve for one year.

14. What is the Commission doing to ensure that the merchants' needs are being addressed?

There are three important ways the Commission is addressing the needs of the downtown and the merchants: 1.) the Commission is working very hard to reduce municipal costs and to pass that savings along to the taxpayers and this includes the merchants and shop keepers as much as anyone. 2.) In the recommendations for Public Works the Commission has recommended that the present PW facility on Harrison Street become scaled back to focus on just the downtown area. 3.) There is a desire to restore the daily community policing on bike and foot patrol in the downtown. This is included in the model being recommended for the police. **15.** Will a consolidated Princeton have the same level of racial and economic diversity as the Borough?

The Commission has compiled a Princeton Fact Sheet from data collected by the Census Bureau and other sources that provides detailed information on the demographics of each town. Although the populations of the towns are not identical, they are very much alike. Both communities' populations are over 70% white; both have high levels of educational achievement; both have high average incomes and high average housing values. There are slightly more individuals with income below the poverty level in the Township than in the Borough (7.9% vs. 6.1%), and slightly more non-white residents in the Borough than in the Township (28% vs. 24%).

Copies of the fact sheet are available from the Commission and on the Commission web site at www.CGR.org/princeton.

16. The Borough and Township have shared services for years - why consider a consolidated town? What will be gained?

The governing bodies of both communities authorized a study of consolidation and shared services to determine whether consolidation or additional shared services would provide improvements in administration and increased efficiency in the government services provided to residents. Currently, the two municipalities jointly operate or contract for 13 shared services, more than any other community in New Jersey. Reductions in state funding to municipalities and economic pressures on taxpayers as a result of the recent recession have made it imperative that municipalities provide necessary services as economically and efficiently as possible. Under current conditions, it is prudent to examine whether Princeton needs twelve elected governing body members and duplicate administrators, clerks, attorneys, police and public works departments, and so on. The Commission's study is designed to determine whether consolidation will provide better governance and cost savings while preserving the services and quality of life Princeton residents value.

17. How did the two communities (Borough and Township) arrive at the % of \$ for shared services? It seems to vary with each service!

Over the years the two communities have agreed to share 13 services. In each case the proportion of the costs agreed to by each municipality was

arrived at using a variety of factors – not the same in all cases. Factors such as population, anticipated usage, and historic data factored into the formulas the currently exist. The metrics vary on a service-by-service basis.

18. We have 13 shared services between the Borough and the Township. How effectively and efficiently are they working? Do they need attention? The baseline report does not address that issue.

The Commission was not tasked to look at the existing shared services and therefore the baseline report does not do an evaluation of the current shared services – other than recognizing that they indeed function as shared services. That said, an informal assessment during the early work of the Commission suggests that some of the shared services are working very well and that they are a good investment. At the same time some current shared services have struggled to deliver services in a timely and efficient manner. In some of those cases the struggles are not of their own making. Budget cuts, limited administrative oversight, issues in personnel and staffing have all contributed to the shared services' performance in the community.

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19. New development under way and anticipated in the Borough and the Township over the next few years will add to the tax base, and the Borough also derives revenue from the parking utility - if the towns consolidate, must all revenue be shared?

If the voters approve consolidation and the two former municipalities become one community, all revenues collected will be shared; any new development in either former entity will now become development in the new community. Exactly how to allocate income from the parking utility is still under consideration by the Commission.

20. What impact will consolidation have on the schools? How will school board members be chosen?

Since the schools are already shared by both municipalities, there will be no change to the Princeton Regional School District other than removing the word "Regional". Princeton members of the School Board will be elected at large because in a consolidated Princeton there will no longer be a need for representation from the two former municipalities. 21. What impact will consolidation have on the Planning Board and other joint boards such as the Recreation Commission and the Sewer Operating Committee? How will members of these boards be chosen?

Princeton Borough and Township currently have a regional planning board consisting of twelve members, six from each municipality. If the towns consolidate, the governing body may, by ordinance, create a planning board of either seven or nine members, so the membership of the planning board will be reduced. Members of other boards and commissions currently overseeing shared services will be chosen from the community at large, rather than being appointed as representatives of one or the other municipality.

22. What are the current municipal budgets (exclusive of "double-counted" dollars funding shared services)? Tax Rates? Ratables?

Budgets (FY 2010): Township: \$35.207 million Borough: \$23.316 million

Tax Levy (FY 2010): Township: \$22.14 million Borough: \$10.40 million

<u>Tax Rates (FY 2010):</u> Township: 0.470 (per \$100) Borough: 0.468 (per \$100)

Net taxable valuation (FY 2010):Township:\$4.71 billionBorough:\$2.22 billion

For more information about current budgets and staffing of both municipalities, refer to the Baseline Report prepared by the Center for Governmental Research and available at www.cgr.org/princeton.

23. Why is the Commission only looking at police and public works as additional shared services? Are there other opportunities to share services, such as a joint court?

The two municipalities determined to examine shared police and public works services because these two departments are the largest budget items in any local budget, and therefore present the largest opportunities for savings. However, as part of the study of full consolidation, the Commission is reviewing the savings and advantages of consolidation of all municipal departments, include the municipal courts.

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