

STATE OF NEW JERSEY  
DEPARTMENT OF COMMUNITY AFFAIRS  
DIVISION OF LOCAL GOVERNMENT SERVICES

A FEASIBILITY SURVEY  
OF  
MUNICIPAL CONSOLIDATION  
FOR  
THE BOROUGH OF SUSSEX  
AND  
THE TOWNSHIP OF WANTAGE  
SUSSEX COUNTY, NEW JERSEY

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## SUMMARY OF CONCLUSIONS AND RECOMMENDATIONS

### MAJOR RECOMMENDATION

BASED UPON AN OVERALL STUDY OF PERTINENT FACTS AS TO FINANCES AND LOCAL GOVERNMENT SERVICES. IT IS RECOMMENDED THAT SUSSEX AND WANTAGE CONSOLIDATE INTO A SINGLE MUNICIPALITY. SUCH A CONSOLIDATION WOULD BE IN THE BEST INTEREST OF ALL CITIZENS IN PROVIDING LOCAL GOVERNMENT SERVICES, PARTICULARLY FROM A LONG RANGE VIEW POINT.

### COROLLARY CONCLUSION

The primary stumbling block in achieving consolidation is the somewhat higher tax rate required in Wantage at the time of consolidation. HOWEVER, ANALYSIS OF ALL FACTORS AFFECTING FINANCES AND EXPENDITURES FOR LOCAL SERVICES WILL PROVIDE SIGNIFICANT OFFSETTING SAVINGS FOR WANTAGE AND ALLOW MUTUAL FINANCIAL BENEFITS FOR BOTH COMMUNITIES.

### SUPPORTING CONCLUSIONS AND RECOMMENDATIONS

1. The school system in Sussex and Wantage now operates on a consolidated basis, thus eliminating any change or serious financial impact if a municipal consolidation takes place.
2. In addition to the school system, Sussex and Wantage have joined together to provide a significant number of local services on a joint, cooperative basis.
3. Neither municipality has any outstanding general obligation debt that would require adjustment if a merger took place. Sussex does have some self liquidating debt for water and sewer facilities which is paid from utility receipts for these services.

for all local tax problems, since the largest portion of tax funds are for school and county purposes which are not within the jurisdiction of the municipal government.

15. Consolidation cannot be expected to actually reduce expenditures in the future since service needs will increase. However, consolidation will afford such increased services at an equal cost or at a lower unit cost than would otherwise be possible.
16. Wantage will have to establish major new services and capital improvements in the near future, particularly for police services and water and sewer utilities. Such services can be provided without duplication, and much more economically through consolidation.
17. Requirements for increased expenditures and tax funds will increase at a faster rate in Wantage in the future due to necessarily expanded services and growth over the large area of the township.
18. Consolidation will provide continuing long range advantages to Sussex and Wantage both in performing needed services and in minimizing local government costs. These long range benefits, along with the more rapidly increasing tax requirements in Wantage should offset the initial adjustment in taxes in Wantage at the time of consolidation.
19. Sussex and Wantage already have a "kinship" and experience in working together which furthers the desirable conditions for consolidation.
20. No present employees need be affected adversely by consolidation. Adjustments in personnel can be accomplished through

4. Local services in Sussex and Wantage are provided on a part-time basis in many instances.
5. Sussex provides a somewhat wider range of services, primarily due to its police department and water and sewer utilities.
6. Present services in Sussex and Wantage are well distributed and could easily be adapted to serve a consolidated municipality.
7. Both Sussex and Wantage have established planning boards and related planning activities.
8. Consolidation is a feasible from a planning standpoint. This is indicated best by Sussex' central business district and limited area for growth and expansion compared to Wantage's huge area and increasing new development.
9. Present zoning and land use provisions are generally compatible in adjoining areas of Sussex and Wantage.
10. The geographical relationship of the two communities, namely the complete surrounding of Sussex by Wantage, is favorable to consolidation and would result in a single uniformly shaped area.
11. The rate of population growth in Wantage is greater than in Sussex and will continue to be so in the future.
12. Without comprehensive planning as a consolidated municipality, conflicts in zoning and land use are likely in the future as a result of new development and increasing scarcity of land.
13. Both Sussex and Wantage are faced with increasing expenditure requirements and tax problems in the future.
14. Consolidation of Sussex and Wantage will not be a panacea

normal attrition and turnover of present employees.

21. Consolidation would provide an opportunity to revise the old forms of government in both communities and establish a modern governmental system providing for improved overall coordination and direction for the benefit of both municipalities.
22. Consolidation will allow more and better use of existing public buildings and minimize the need for maintaining records in private homes of local officials.
23. Past efforts for consolidation have, for the most part, resulted in failure.
24. Overall conditions and circumstances in Sussex and Wantage are much more favorable for consolidation than in most other communities.
25. If consolidation is to be accomplished, a concentrated public information program indicating the benefits of a merger must be established with the understanding and active support of local leaders.

## INTRODUCTION AND HISTORICAL BACKGROUND

### AUTHORIZATION

This study has been prepared at the joint request of the governing bodies of the Borough of Sussex and the Township of Wantage to determine the practical feasibility of consolidating these two local government units into a single municipality. The study was performed under the approval of the Administrative Assistance Unit, of the State Department of Community Affairs. The report was authored by J. Peter Braun, Township Administrator of the Township of Randolph, who served as a consultant to the Department of Community Affairs.

### FORMAT

Information for this study was obtained by interviews with numerous officials of both Sussex and Wantage to learn specifically about present activities and services in both communities. This information along with much written material was then analyzed from the viewpoint of the advantages or disadvantages of municipal consolidation. Special attention was given to planning and financial considerations since these two aspects are probably the two most fundamental factors influencing the realistic feasibility of governmental merger.

The report begins with historical background data about both communities. This is followed by a summary of present municipal services which are provided. Separate sections are then presented concerning planning and finances. Finally, the major recommendation of the report is set forth in detail followed by specific

suggestions for implementation. In addition, other pertinent findings and recommendations are stated throughout the report.

Officials and employees of both municipalities were most helpful and cooperative in providing information and discussing governmental operations in their communities. Particular thanks must be given to Messers. John Cowling, Mayor of Wantage; Willis Wilson, Mayor of Sussex; and Nelson Struck, Township Clerk of Wantage, for their aid and assistance. Special thanks must also be given to Mr. David Miller and Mr. Harold Pellow, the auditor and engineer respectively, for both municipalities, for their assistance, and to Mr. Alexis Lundstrom who prepared the graphs in the financial section of the report, and to Mr. William F. Hyland, Jr. who aided in the overall preparation of the report.

#### HISTORICAL BACKGROUND AND DEVELOPMENT

The Township of Wantage is the older of the two municipalities having become an incorporated political jurisdiction in 1754. Total land area of Wantage Township is 67.9 square miles with a 1970 census population of 4,329 compared to 3,308 in 1960 or an increase of 30.9%. Estimated 1972 population is 5,000 people.

The Borough of Sussex, totally surrounded by Wantage Township and located in the southeasterly corner of the municipality, was incorporated as a separate entity in 1901. Total land area is .9 of one square mile with a 1970 census population of 2,038 compared to 1,656 in 1960 or an increase of 23.1%. The 1972 estimated population is 2,150 persons.

Population projections are always quite important to municipal

governments in order that long-range planning can be implemented and population growth absorbed without detriment to the overall community. Despite recent decreases in population growth patterns on a national scale, communities in Sussex County have experienced considerable growth in the period between 1960 and 1970. Much of this growth can be attributed to the current shifting of residential development from the traditional urban population centers to the more rural, yet relatively accessible, portions of the State. The completion of interstate Route 80, as well as the implementation of present and future improvement plans for State highways #15, # 23, and # 206 will significantly improve the accessibility of this area. Therefore, it can be assumed that continued growth in population in the Sussex-Wantage area will continue to at least the same degree as been previously experienced. Population increases for the period from 1940 to 1970 can be seen in Table 1, as well as a projection of population in 1980. This projection is based on the assumption that growth percentages will be the same as previous trends and indicates a combined population in the Sussex-Wantage area of 8,187 in 1980. With increasing pressures for new development, this estimate is likely to be conservative and population may exceed the 8,187 figure prior to 1980.

TABLE 1

POPULATION OF SUSSEX AND WANTAGE 1940 - 1980

	<u>SUSSEX</u>	<u>% CHANGE</u>	<u>WANTAGE</u>	<u>% CHANGE</u>	<u>COMBINED</u>	<u>% CHANGE</u>
1940	1,478	-	2,376	-	3,854	-
1950	1,529	3.4	2,543	7.0	4,072	5.6
1960	1,656	8.3	3,308	30.0	4,964	21.9
1970	2,038	23.0	4,328	30.8	6,366	29.0
1980 (est)	2,344	15.0	5,843	35.0	8,187	28.6

## SUMMARY OF PRESENT SERVICES

### FORMS OF GOVERNMENT

The Borough of Sussex currently operates under the Mayor-Council form of Government. An elected mayor and six council members functioning on a part-time basis constitute the governing body of the Borough. A strong Planning Board, a Zoning Board of Adjustment, Board of Health and representation on joint commissions responsible for the Sussex-Wantage Library and Recreation Program serve as functioning agencies in the municipal structure.

The municipal departments in Sussex consist of a three member full-time police department, a three member full-time road department, a full-time sewer plant operator and part-time employees for the positions of Tax Collector, Assessor, Treasurer, Building Inspector, Health Officer, Public Health Nurse, Court Clerk, Dog Warden and Borough Clerk. In addition, a volunteer fire department provides fire protection for the Borough and a small portion of Wantage Township.

A Township Committee form of government presently serves the residents of Wantage Township with a governing body of three elected committeemen, one of whom is selected by the committee to serve as mayor. Similar agencies such as the seven member Planning Board, a Zoning Board of Adjustment, Board of Health and representation on the joint commission of the Sussex-Wantage Library and Recreation Program provide service to the community. The Township committee is also considering the creation of a conservation Commission.

The municipal staff includes on a full-time basis, thirteen road department employees and on a part-time basis, a building maintenance worker, three tax office employees, a public health nurse, assessor, assessing clerk, building inspector, dog warden, township clerk, treasurer and a landfill operator. The Township committee has also appointed five part-time constables who have been given limited police responsibilities in the town. A study is being made by the Township committee to determine whether a full-time police department is needed.

Under both forms of government, the supervisory and administrative control of municipal departments fall under the jurisdiction of the governing body. Such an arrangement allows for only minimum control over the various departments depending upon the available time of the governing body member.

#### EXTENSIVE JOINT SERVICES

In studying the feasibility of consolidation in Sussex and Wantage, the single feature which is most prominent is the extensive number of services which are already performed on a joint basis. At the present time, seven local services are provided jointly by the two communities in the included areas of: education, recreation, animal control, library, public health nurse, sanitary landfill and fire protection (volunteer).

#### EDUCATION

By far, the most important and significant of present joint services is school system. Educational facilities are provided at the elementary level (kindergarten-eighth grade) by the

Sussex-Wantage Regional School District. During the 1971-1972 school year, total enrollment included approximately 1280 students, 71 per cent of whom came from Wantage and 29 per cent who came from Sussex. Elementary school facilities consist of the Wantage Consolidated School (grades K-4), and the former Sussex High School (grades 5-8). Overcrowding in these two schools prompted the need to rent two additional outside Classrooms. Although it is hoped a referendum will be approved in 1973, it is anticipated that split sessions for three grades will be required beginning in 1973-74 and continuing until a new school is constructed.

High school education is provided through the High Point Regional School District which draws its enrollment from three other municipalities in addition to those of Sussex and Wantage.

From the standpoint of the feasibility of consolidation, the most significant fact is simply that Sussex and Wantage presently have an ongoing regional educational system which removes the possibility of conflict in this most important policy and finance area of local public services. With respect to school costs, it should be noted that some adjustment would occur in the present distribution of costs as a result of the school district changing from a "Regional" district to a "Consolidated" district. This adjustment is reflected in the consolidated tax rate for Sussex and Wantage shown in Table 10.

#### RECREATION

Recreational services and facilities are provided by a joint recreation commission consisting of three representatives from each municipality. At the present time, equal \$1500 appropriations

are made annually by each municipality for recreation purposes. Primary facilities and activities are carried out at Clove Lake Beach in Sussex and the Summer Day Camp program. Dances are also conducted by the Recreation Commission at the local school and cooperation is extended to private recreation groups although these groups operate independently.

One clearly expressed need was for the acquisition of playground and ball field facilities, which are virtually non-existent at the present time. The "airport" tract which is owned by the Borough but located in the Township is one facility available for recreation. This field has been a source of some disagreement, since the Borough pays taxes to Wantage for the property, while it is being used by children from both communities. Consolidation would immediately eliminate any such conflict with this field, since it would become exempt property in the new consolidated municipality.

#### ANIMAL CONTROL

Animal control services are presently provided by a part-time dog warden in both communities, although the appointee for both communities is actually the same individual. Presently, Wantage is constructing a regional animal shelter that will serve Sussex and Wantage as well as other nearby communities who express interest in using the facility.

#### LIBRARY

Both Sussex and Wantage are participants in the County Library system. However, the two municipalities also provide additional direct funds to help finance library services in conjunction with

The County Library Branch located in Sussex. In 1972, Wantage appropriated \$2000 for this purpose while Sussex appropriated \$1500. The operation of the branch library is further being assisted by a local volunteer group which is currently undertaking a fund raising drive for renovation of a damaged building in Sussex that can serve as additional space for library facilities.

#### PUBLIC HEALTH NURSE

Services provided by the Public Health Nurse include programs in maternal and child care, childhood diseases and immunization. Aid for handicapped children and liaison with other special health services agencies is also maintained for residents of both communities.

#### SANITARY LANDFILL

The Township of Wantage operates a 22 acre sanitary landfill site. In addition to serving needs of its residents, the landfill is utilized by residents and refuse contractors in Sussex as well as the Township of Montague. Refuse collection is provided directly by private contractors in all three municipalities who pay current fees of \$.75 per cubic yard for disposal. Formal agreements have been established between Wantage and Sussex and Montague for payments of \$1500 per year for use of the landfill by residents.

Due to the limited size of its present facility, Wantage is seeking to acquire additional adjacent land to provide extended disposal capacity and also to help overcome some underground water seepage problems which have occurred on the present site. It is

also necessary for cover material to be transported to the site by the Wantage Road Department, since material is not available on site. This tends to increase operating costs for the landfill.

### FIRE PROTECTION

Fire protection in both communities is provided primarily on a volunteer basis. Services in Sussex are performed completely by the Sussex Fire Department which operates under the auspices of the Township. Wantage receives services and provides financial assistance to four fire departments which operate independently from the Township. These four departments are the Sussex, Beemerville, Colesville, and Unionville, New York Fire Departments. Contributions of \$3500 per year are made to the first three departments and a contribution of \$600 is made to the Unionville Fire Department.

### SUMMARY

The above description of existing joint services represents a significant degree of cooperative services which have already been initiated by Sussex and Wantage. More importantly, these existing services have provided both communities with valuable experience in working together and indicate a recognition by the people in both communities of the value of combined services. Lastly, these existing joint services provide an outstanding basis for a possible consolidation, leading to a complete blending of all services and a resulting increase in efficiency and effectiveness in carrying out local government responsibilities.

### OTHER SERVICES

The following brief descriptions indicate other local services

provided individually by Sussex and Wantage in addition to the joint services noted above.

### ADMINISTRATION

Under both the Mayor-Council form of government in Sussex and the Township Committee form in Wantage, administration and supervision of governmental services must be provided by the elected Mayor and governing body, all of whom serve on a part-time basis. Both municipalities have municipal buildings to serve as a center for local government activities. In Sussex, the municipal building is relatively old and is very cramped for space. The building also serves as the fire station for the Sussex Fire Department. Wantage has a newer, larger municipal building constructed in 1962 to help to provide space for services needed in a growing community. Nevertheless, despite its short life, the Wantage municipal building has already had two additions and will not be adequate to meet local needs for many years with the current growth which is occurring and will not doubt, continue in the future.

In both communities, the keeping of minutes, issuance of licenses, safe keeping of records, conduct of elections and other duties specified by law are provided by a part-time Municipal Clerk. In Sussex, the Clerk maintains records in his home and provides service on call with no regularly scheduled hours in the municipal building. The Wantage Clerk maintains daily hours in the municipal building where all official records are maintained.

### FINANCE

Both Sussex and Wantage are served by part-time municipal

treasurers. The Sussex Treasurer, like the Borough Clerk, works from his home, on call, without specified hours in the municipal building. The Treasurer in Wantage has served for many years. He has an office in the municipal building and carries out all local financial functions for the township including preparation of the payroll, processing of all checks for disbursements and the keeping of municipal accounts. It was noted that at the present time, separate accounts are not maintained for dog control and public assistance funds to separate their monies from other municipal funds which is the procedure established by State Law. During 1972, the Treasurer received clerical help through the Emergency Employment Act which was felt to be necessary with the expanding financial responsibilities of the township.

#### TAX ASSESSMENT

Tax assessment responsibilities are also provided by part time personnel in both communities. In Wantage, the Assessor has an office in the municipal building and presently works approximately four hours a day. The Assessor is aided by one full-time Assessing Clerk. At present the township has approximately 4000 taxable line items with a total assessed value of \$62,701,371. The township completed a revaluation of property in 1971 and has a current equalization ratio of 94.4%.

Sussex has a total of 566 line items with a 1972 assessed value of \$8,301,742. The Borough's equalization ratio has dropped to 76.7% since the last revaluation in 1959, but another revaluation is now in process which will take effect in 1974. The Sussex Assessor has no regular hours and makes necessary assessments as required.

The assessor's records are maintained in his home.

The assessor's position in both Sussex and Wantage is an elected office as provided by law.

### TAX COLLECTION

The position of Tax Collector is a part-time, elected office in Sussex. The collector has an office in the municipal building and provides regular hours in the evening and on Saturdays, particularly during quarterly tax payment periods. In 1971 a total of 91% of current taxes was collected. The tax collector also serves as the water and sewer collector for the Borough. In Wantage the tax collector is an elected, full-time official. The collector is aided by two full-time office assistants and provides office hours at the municipal building five days a week, as well as on Saturdays. In 1970 the tax collection percentage was 91%. This dropped to 89% in 1971, probably as a result of tax appeals resulting from the revaluation of property in the township.

### POLICE

Police services in the Borough of Sussex are provided by three full-time police officers. Each man works a total of 54 hours per week on a six day per week basis. Each patrol shift consists of one man with no other officer available to provide desk functions. Wantage has no local police department and receives police services from the Sussex State Police Barracks.

### BUILDING INSPECTION

Building inspection activities in Sussex are provided by a part-time Building Inspector who is also a member of the Planning

Board and serves as the Municipal Zoning Officer. The Borough currently operates under the Building Officials Conference of America Standard Code (1965 edition). The Building Inspector's responsibility is solely for structural inspections, however, he does provide plumbing and heating inspections to some extent although he is not licensed to do so. All Building Department functions, including the maintenance of records, are conducted from the home of the Building Inspector. Wantage operates under the National Building Code (1967 edition) which is enforced by a part-time Building Inspector who also serves as a member of the Township Planning Board and the Zoning Officer. According to the Building Inspector, residential development is experiencing increases of 20% per year. All files pertaining to the Building Department are maintained at the home of the Building Inspector.

#### MUNICIPAL COURT

Both Sussex and Wantage have part-time magistrates and court clerks to carry out the responsibilities of the municipal court. In Wantage, the court clerk has scheduled hours in the municipal building three days a week and is on call at home. Wantage has also named a prosecutor who represents the township in the municipal court. The Sussex court clerk works on a part-time basis out of his home without regular hours at the municipal building.

#### ROADS

Both communities have full-time departments to provide for necessary road services. However, there is a significant difference in emphasis between the two municipalities. Wantage has a 14 man

road department which utilizes 15 major pieces of equipment in maintaining approximately 125 miles of township roads. The road department is by far the largest service provided. This is best indicated by the fact that the total 1972 budget appropriation for roads (including snow removal) is \$208,000 or 56.5% of the township's total operating budget for the year. In Sussex, the road department consists of three full-time employees who utilize six major pieces of equipment in maintaining the 5.84 miles of local streets in the Borough. In contrast to Wantage, total 1972 road department appropriations are \$39,500 which is only 29.2% of the official operating budget. This percentage would be reduced still further if the dedicated water and sewer utility budget were included with the normal operating budget.

### HEALTH

As described above, Sussex and Wantage provide Public Health Nursing Services on a joint cooperative basis. In addition to this, both municipalities provide other health, sanitation and plumbing inspection services on a part-time basis. In Sussex, all general health and sanitation matters are the responsibility of a part-time health officer who services on call and works directly from his home. As noted above, any plumbing inspection which is done is provided by the building inspector. In Wantage the health officer also serves on a part-time basis. He performs all health related functions, including plumbing inspections. The health officer works primarily from his home, but does check in regularly at the municipal building and keeps some files there.

Both municipalities also have Board of Health to review health

problems and formulate local health policies.

### WELFARE

Local requirements for public assistance are relatively small in both Sussex and Wantage, and are provided on a part-time basis in both communities. Total budget appropriations in 1972 were \$1350 in Wantage and \$1000 in Sussex.

### WATER SUPPLY

The Borough of Sussex operates a municipal water-sewer utility to serve its residents. The source of water is Lake Rutherford which is in Wantage and is piped to Sussex. The Borough has constructed a 500,000 gallon storage tank in Sussex and provides service to all residents of the community. At present, the system has a capacity of 600,000 gallons per day which could serve an estimated population of approximately 6,000 persons.

Wantage does not have a municipal water system and residents receive their water supply from individual wells.

### SEWER SYSTEM

As part of its utility service Sussex operates a municipal sewer system. The Borough has constructed a new treatment plant which provides secondary treatment of sewage. The system presently serves 95% of the residents of the Borough and operates at a volume of about 150,000 gallons per day (GPD) out of a total capacity of 250,000 gallons per day and a possible expanded capacity of 350,000 per day.

Wantage does not have a sanitary sewer system and provides for sewage disposal by individual septic systems.

## PRESENT AND FUTURE PLANNING

The governing bodies of Wantage and Sussex created municipal planning boards in accordance with the Municipal Planning Act (N.J.S.A. 40:55-1.4) in 1959 and 1971 respectively. Membership on both boards is limited to seven members. The Planning Board in Wantage Township is considered strong since it processes and approves all subdivision applications. While in Sussex, the Planning Board serves as a referral agency with no powers of approval. The planning activities of these two boards are outlined in Table 2.

Wantage Township completed a Master Plan Study Program in 1968 with the assistance of the Division of State and Regional Planning. At the present time, there is no Master Plan in existence in Sussex Borough.

Table 3 shows in a generalized form a comparison of zoning district requirements, and Table 4 shows zoning controls in both municipalities. It is apparent that except for minor differences, the zoning restrictions of both communities are compatible and would create no obstacle to the consolidated land use development of both communities.

### LAND USE AND DEVELOPMENT CHARACTERISTICS

An analysis of existing land use patterns and development characteristics in this area may offer some insight into future development trends. Due to the tremendous difference in land areas of two municipalities, the author has been unable to obtain a map in which both municipalities were drawn to the same scale and upon which generalized land use designations could be made which

would clearly illustrate the relationship and compatibility of adjoining areas.

By far, the overwhelming percentage of current land use in both municipalities is residential, including both single family and multi-family dwelling units. More importantly, much of the existing land use in Sussex Borough is extended into Wantage Township, covering multi-family residential, commercial and industrial uses. In many respects, the current situation parallels the traditional zoning scheme of a centralized business district and surrounding residential development. In the case of Sussex and Wantage, this situation is existing through two municipalities, but it again points up the fact that existing land use and development trends would not be a deterrent to municipal consolidation.

As pointed out in previous sections, the population and development of the Sussex-Wantage area is anticipated to significantly increase in the next ten years. There is little question that the major portion of increased development will probably be attributable to residential construction, as evidenced by recent experience throughout Sussex County. Such new development has resulted from a growing influx of residential population from more densely populated areas nearer the New York metropolitan area. The future of these communities is not only dependent upon the proximity to the New York metropolitan area, but to many external influences as well. For example, managerial decisions to relocate and build new industrial plants in suburban areas, the escalating land costs for developers in areas closer to the urban fringe and even the mortgage money market will significantly affect future growth trends.

A significant municipal function that influences future land use is the location of existing and anticipated community facilities. Sussex and Wantage are fortunate in that many of these facilities, such as schools and recreational facilities, are already established and used by both communities. In addition, existing municipal structures can continue to provide housing for municipal activities.

## CONCLUSION

Based upon the foregoing discussion of land use and zoning, it can be seen that Sussex Borough and Wantage Township are compatible communities from the standpoint of land use and planning and both can benefit by consolidation. Sussex Borough is a good example of the older urban center with an established identity and a commercial center. On the other hand, Wantage Township with its vast undeveloped areas presents the potential for future growth.

The major land uses in both municipalities are compatible, with Sussex almost totally urbanized, while Wantage remains a rural community with large areas of vacant land. Zoning controls in both communities are similar in their basic intent and do not conflict.

As pointed out in the previous discussion concerning population, it is anticipated that by 1980 the Sussex-Wantage area will have a combined population of 8,187. This is an overall increase for the two communities of 28.6 percent. Although this population will have to be accommodated primarily on available land in Wantage Township, both municipalities should be prepared to assimilate this increased development in a manner that will not be detrimental to the balance of the community.

In many instances, functional and service consolidations have already taken place in Sussex and Wantage without total political consolidation. However, as population increases, increasing pressures will arise on both governing bodies for additional and improved services and facilities. Even from the standpoint of planning and zoning controls alone, increases in development will require additional employees to provide needed services associated with such development. Thus, should the two municipalities remain separate, many duplicate positions and functions will be created.

The existing zoning scheme in both municipalities is desirable in terms of a consolidated municipality since, as noted above, there would be a central business district, neighborhood commercial areas, industrial and mixed residential uses permitted. Many of the existing zones in one municipality overlap into similar uses in the other. For example, strip commercial development along several roads in Sussex is continued into Wantage Township; the Sussex industrial zone adjoins the Wantage industrial zone; etc. Accordingly, drastic revisions to existing zoning requirements would not be necessary should the existing boundary lines of Sussex Borough be eliminated, creating one municipality. Rather, the basic need of each municipality would be serviced - Sussex would acquire additional land for development and Wantage would gain a commercial center.

It should also be pointed out that to the casual observer, Sussex and Wantage are, in effect, a combined municipality at this time. Again, this impression is given through the basic similarity in existing zoning in both municipalities. Should the signs

welcoming motorists to Sussex be eliminated, there would be no physical means of determining the separation between the two communities.

Thus, from the standpoint of present planning both municipalities should be commended for the level of inter-municipal cooperation which has been achieved thus far. However, it is strongly urged that both municipalities look to long range planning and the improved planning and land use coordination possible from consolidation in order that the needs of the residents will be best serviced.

TABLE 2

## PLANNING CONTROLS

WANTAGE TOWNSHIP - SUSSEX BOROUGH

1972

	Wantage	Sussex
Planning Board Established	1959	1971
Zoning Ordinance Last Revision	1969	1972
Subdivision Ordinance Adopted	1959	none
Master Plan --- completed	1968	none
--- adopted	yes	--
Official Map Adopted	1965	none
50/40 Assistance for		.
Continuing Planning	none	none
Building Code	yes	yes
Housing Code	yes	none

TABLE 3

ZONING DISTRICT REQUIREMENTS

WANTAGE TOWNSHIP - SUSSEX BOROUGH

	<u>Wantage</u>	<u>Sussex</u>
Number of Residential Zones	1 (a)	2
Number of Commercial Zones	2	2
Number of Industrial Zones	1	1
Number of Agricultural Zones	----	----
Number of Other Zones	1 (b)	1 (b)
Minimum of Residential Lot Size	40,000 sq ft	10,000 sq ft
Minimum Dwelling Size	1,000 sq ft	750 sq ft
Minimum Commercial Lot Size	40,000 sq ft	20,000 sq ft
Minimum Industrial Lot Size	86,000 sq ft	80,000 sq ft
Maximum Industrial Land Coverage	30%	- - -

---

SOURCE: Township of Wantage Zoning Ordinance (1969), and  
Borough of Sussex Zoning Ordinance (1972).

- (a) Also Agricultural
- (b) Garden Apartment

TABLE 4

ZONING CONTROLSWANTAGE TOWNSHIP - SUSSEX BOROUGH

	<u>Wantage</u>	<u>Sussex</u>
Billboard and Sign	yes	yes
House Trailer	no	yes
Junk Yard	yes	no
Used Car Lot	yes	no
Quarry / Soil Removal	no	no
Garden Apartment	yes	yes
High-Rise Apartment	no	no
Motel	yes	no
Shopping Center	yes	no
Service Station	yes	yes
Research Laboratory	yes	no

---

SOURCE: Township of Wantage Zoning Ordinance (1969) and  
Borough of Sussex Zoning Ordinance (1972).

YES indicates use is permitted

NO indicates that the Ordinance does not provide for this use.

## FINANCIAL ANALYSIS

In any consideration of a possible consolidation, the question which immediately comes to mind and is generally considered to be most important is that of the financial effect of such consolidation. This question can naturally be a major stumbling block if analysis of statistical and financial information indicates a large financial imbalance between the two municipalities. However, it must be recognized that such financial data is subject to many factors which cannot be neatly charted and projected into the future. This situation is further complicated by the new circumstances and considerations which would necessarily exist as the result of a merger by two municipalities. It should also be noted that the possible financial benefits of a consolidation are greatly influenced by intangible items having long range application which cannot be readily predicted, such as changes in personnel and the significant efficiencies afforded by combined services in a single consolidated governmental unit.

Given the above factors, it is the purpose of this section to provide basic information which is felt to be most pertinent with respect to the financial aspects of a possible consolidation. Data is provided as to past and present experience and to trends which can be expected in the future and the effect that a consolidation of Sussex and Wantage would have on these trends. A specific effort has been made to minimize detailed presentations of statistical information which have only a marginal or indirect effect upon financial feasibility and to concentrate on the fundamental

factors involved with this question and indicate the anticipated effect of these factors on Sussex and Wantage as separate municipalities and as a single, consolidated community.

#### SCHOOL COSTS

Before providing any specific information concerning finances, it must be pointed out that by far the largest demand for public funds in both Sussex and Wantage is for public school costs. Thus, the direct effect of a municipal consolidation on taxes would be limited, although still significant, in terms of total tax funds involved. Specifically, in 1972, \$440,546 out of a total tax levy of \$643,499 in Sussex was for school purposes. This is 68.5 per cent of the total tax levy. In Wantage \$1,394,184 out of a total 1972 levy of \$2,298,330 was for school costs. This school tax levy in Wantage represents 56.3 per cent of the total tax levy.

#### COUNTY TAXES

A similar situation exists with respect to county taxes which are apportioned directly by the County government to municipalities. However, the amounts involved are much less than the tax requirements for schools. Specifically, in 1972 the county tax levy in Sussex was \$105,743 or 15.2 per cent of the total levy, while in Wantage the county tax was \$580,689 which is 25.3 per cent of the levy.

The above comments serve to indicate that consolidation of Sussex and Wantage is not, and cannot be viewed as a panacea for all the tax and financial problems in these communities or any other municipalities in New Jersey. Nevertheless, any financial benefits provided by a consolidation could be significant, particularly from a long range perspective. The important point

is that the constantly increasing tax problems of local government emphasize the need to take any action possible to minimize tax requirements, however limited the savings might be.

#### REVIEW OF MUNICIPAL EXPENDITURES

An important factor to consider in analyzing the financial aspects of consolidation is the purpose of municipal expenditures. It is particularly worthwhile to note trends in such expenditures and examine requirements which can be expected in the future, since this has a direct effect on tax needs. Table 5 notes the purposes of expenditures by major budget categories in Sussex and Wantage for the years 1965, 1970 and 1972. The most important feature of the table is to show the constant trend of increased municipal appropriations in both Sussex and Wantage. The increase has been very sharp in Wantage where total appropriations have risen from \$365,488 and 99.6% in a seven year period. Such an increase is probably not surprising in view of the growth of the community and the expanded services which have been required. In terms of specific categories, large percentage increases in appropriations have occurred in every budget category except capital improvements which have stayed at an approximately equal level. (Despite the higher amounts shown in the table, average capital improvement appropriations in Wantage during this period were slightly below \$30,000 per year). In a growing community, a large increase in capital improvement appropriations is generally required. The fact that it has not happened in Wantage is probably due to a concern for taxes by the governing body and delay of needed capital

improvements to try to hold down the local tax rate. To put the magnitude of these appropriation increases in perspective, it should be noted that if the present rate of increase in Wantage continues, total appropriations in 1979 will approach \$1,500,000. Further, even if the increase can be limited to the same amount as required from 1965-1972 (i.e., 365,488) the total local budget in 1979 will reach almost \$1,100,000. Moreover, the increase which has occurred since 1965 has included essentially no expenditures for local police protection. Such expenditures which will be virtually impossible to avoid between now and 1979, and will be discussed in more detail later in this section of the report.

In Sussex, the increase in appropriations has not been as sharp, rising from \$126,330 in 1965 to \$228,990 in 1972. This is an increase of \$102,660 or 81.3 per cent in seven years. The significance of this increase in Sussex is that the borough is a small, stable community having little new growth, but has still required an 81 per cent increase in its budget. Here again, the limited capital improvement appropriations and a review of the fluctuations in the annual budget from year to year indicate an effort to reduce costs and the tax rate whenever possible. Nevertheless, overall increases have been necessary and in all probability will be required in a greater amount in the future.

It is the recognition of this clear trend of rising appropriation requirements that emphasizes the importance of the financial problems faced by local government and the need to minimize costs whenever possible. The financial data analyzed below indicates that consolidation of sussex and Wantage will provide one means of minimizing costs for both communities.

TABLE 5  
MUNICIPAL GOVERNMENT BUDGET APPROPRIATIONS  
BOROUGH OF SUSSEX AND TOWNSHIP OF WANTAGE  
1965 - 1970 - 1972

ITEM	SUSSEX				% Change 1965-1972	WANTAGE				% Change 1965-1972
	1965	1970	1972			1965	1970	1972		
General Government	\$17,300	\$31,250	\$45,700	+164.2%	\$61,800	\$91,850	\$109,900	+77.8%		
Public Safety	26,225	33,350	44,250	+68.7%	10,900	15,705	22,210	+103.8%		
Streets and Roads	25,700	26,400	35,000	+36.2%	126,650	176,000	208,000	+73.2%		
Sanitation	1,600	1,600	1,600		1,500	6,575	10,025	+568.3%		
Health & Welfare	4,275	3,800	4,600	+7.6%	6,900	10,300	14,400	+108.7%		
Recreation & Education	3,300	5,800	3,900	+18.2%	600	3,000	3,500	+483.3%		
Capital Improvement	18,300	3,100	10,200	-79.4%	34,815	35,450	34,000	-2.4%		
Debt Service	200	200								
Deferred Charges	3,940	4,685	5,640	+43.2%	12,910	9,727	27,128	+110.1%		
Statutory Expenditures	2,490	5,600	6,100	+145.0%	4,000	9,000	13,400	+235.0%		
Reserve for Un-collected Taxes	23,000	64,000	72,000	+213.0%	107,000	160,000	290,000	+171.0%		
Total General Appropriations	\$216,330	\$179,78	\$228,990	+81.3%	\$367,075	\$518,607	\$732,565	+99.6%		

## ASSESSED VALUATION

The basis for the tax rate in any municipality is the total assessed valuation upon which real estate taxes are levied. In New Jersey assessed valuations on real estate are established by local assessors based upon state law and regulations. In order to maintain equity between different properties, there are limitations in the manner in which changes in assessments can be made. Thus, although assessments are intended to be maintained at 100% of true market value, the "ratio" between actual market value and assessed value generally decreases over a period of years until a complete revaluation of all property is required. However, to assure fairness in levying county taxes to different municipalities, the county tax board annually determines the "equalization ratio" for each municipality. This ratio provides the basis for calculating the actual market value of property. It is this calculation of true market value that must be used to analyze trends in the tax base. This is particularly important in a consolidation study such as this, since a proper comparison of assessments in the two communities can only be made if valuations are shown on a proportionally equalized basis. Table 6 provides a review of actual assessed valuations and equalized valuations in Sussex and Wantage since 1965.

Table 6 shows that the equalized valuation of property in Sussex has risen from \$6,867,281 to \$10,818,011 between 1965 and 1972. This is an increase of \$3,950,730 or 57.5%. It is also significant to note that during this time the actual assessed valuation in Sussex has only increased by \$1,001,822. This small increase in assessed valuation will be revised with the completion

of a full revaluation of property in 1973 which will be effective in January, 1974. However, the important point of the small increase in assessed value is that, regardless of the higher true value established by the equalization ratio, increased assessments for taxes in an almost fully developed community such as Sussex, are basically assigned to existing properties of present residents rather than a broader tax base from new development. According, even with a higher proportional increase in real estate value compared to expenditures, the same residents with the same property are required to pay the bulk of increased costs. This becomes much more critical when school costs, as well as municipal costs are considered since educational expenditures have increased much more rapidly than those for municipal purposes. This situation largely explains the sharp rise in the tax burden on Sussex residents in recent years.

In Wantage, the equalized valuation of property has increased from \$33,211,937 in 1965 to \$66,399,842 in 1972. This is an increase of \$33,187,905 or a 99.9 per cent increase during the seven year period. During the same time the assessed value in Wantage increased from \$23,829,565 to \$62,701,371, aided primarily by a revaluation which went into effect in 1971. However, in this case the assessed value from 1965-1970, prior to the revaluation, increased by over \$8,375,000 compared to only \$1,001,882 in Sussex over a seven year period. This higher rise in assessments in Wantage indicates the effect of new growth and development in broadening the tax base which helps provide funds for governmental costs, although also adding to the need for higher public expenditures.

Based on the assessment trends shown in Table 6, it is possible

to project changes in assessed values which can be expected to occur in the future. Such projections are provided in Charts 1 and 2. These projections in assessed value have been adjusted to a 100% true value basis to allow comparison between the two communities as noted above. It must also be recognized that the projections are estimates, subject to changing conditions. However, given present circumstances, laws and other related factors, these projections give a meaningful indication of valuations that can be anticipated in Sussex and Wantage in future years.

Chart 1 shows that by 1977 Sussex will have a total true value of about \$13,900,000. This is an increase of \$3,081,989, or 28.5% compared to 1972. This chart emphasizes again, Sussex' problem of a limited increase in rateables, largely attributed to higher values of existing properties, along with significantly higher budget requirements as indicated by the 1965-72 budget data provided above.

In Chart 2, the true value of property in Wantage in 1977 is estimated at \$87,000,000. This is an increase of \$20,600,158 or 31.00% during the next five years. It is significant that, although the amount of increase in value is much greater in Wantage, the proportional increase is quite close to 30% for both communities. Thus, Wantage, which has more rapidly rising cost requirements, is also faced with a problem equally difficult to that of Sussex, in meeting demands for higher costs with relatively limited, new financial resources.

TABLE 6  
TRENDS IN ASSESSED AND EQUALIZED VALUATION  
BOROUGH OF SUSSEX AND TOWNSHIP OF WANTAGE

1965 - 1972

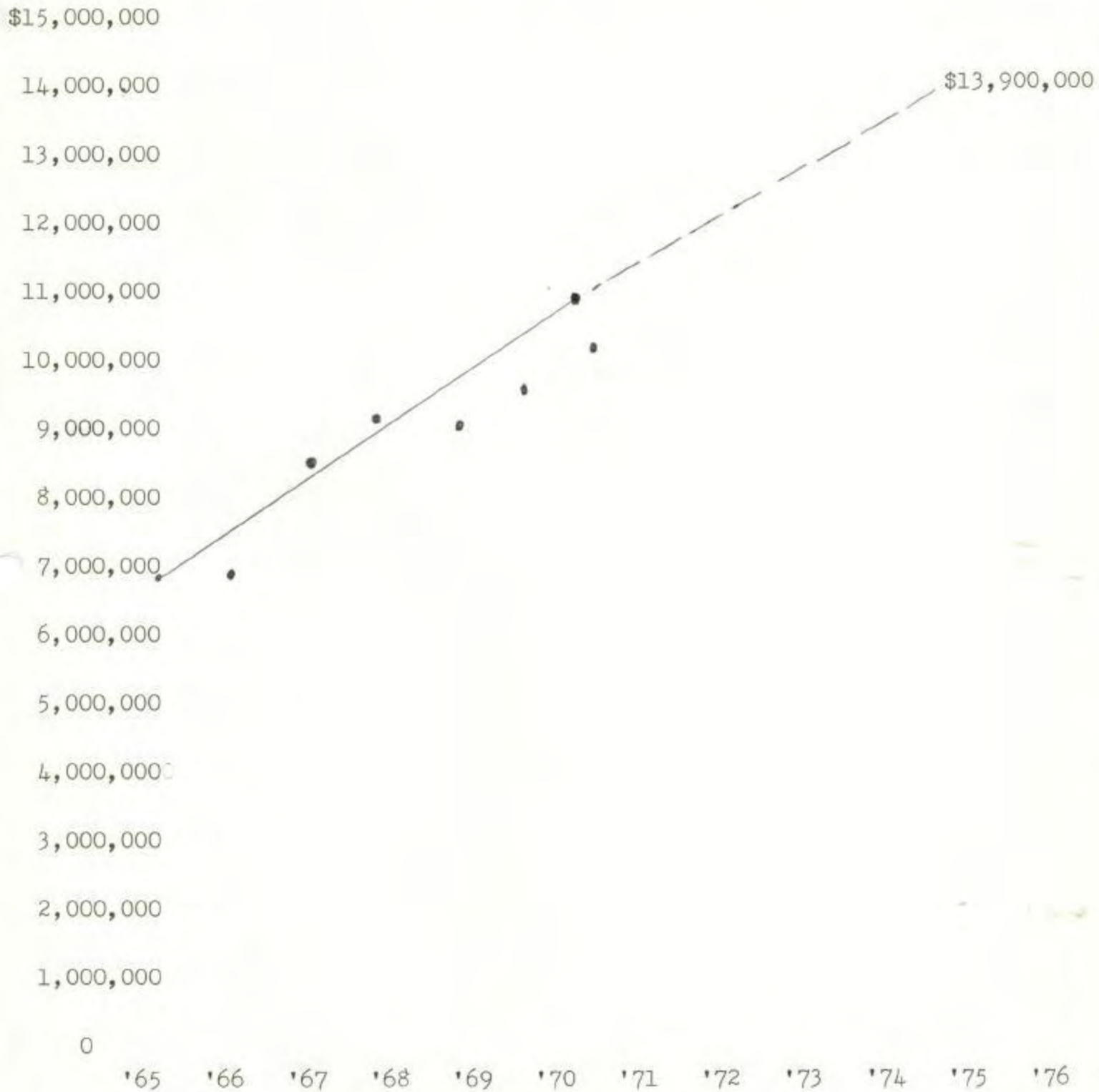
YEAR	SUSSEX		WANTAGE	
	ASSESSED VALUE	EQUALIZATION RATIO	ASSESSED VALUE	EQUALIZATION RATIO
1965	\$7,299,920	106.30%	\$23,829,565	71.75%
1966	7,586,970	110.33%	25,552,850	63.88%
1967	8,041,210	98.93%	26,620,220	66.86
1968	8,002,282	89.92%	29,371,116	65.71%
1969	8,106,633	91.64%	31,379,735	62.62%
1970	7,891,889	84.52%	32,204,719	58.12%
1971	8,265,480	84.26%	62,274,200*	110.99*
1972	8,301,742	76.74%	62,701,371	94.43

EQUALIZED "TRUE" VALUE

\$33,211,933  
40,001,333  
39,814,866  
44,698,099  
50,111,366  
55,410,733  
56,107,933  
66,399,866

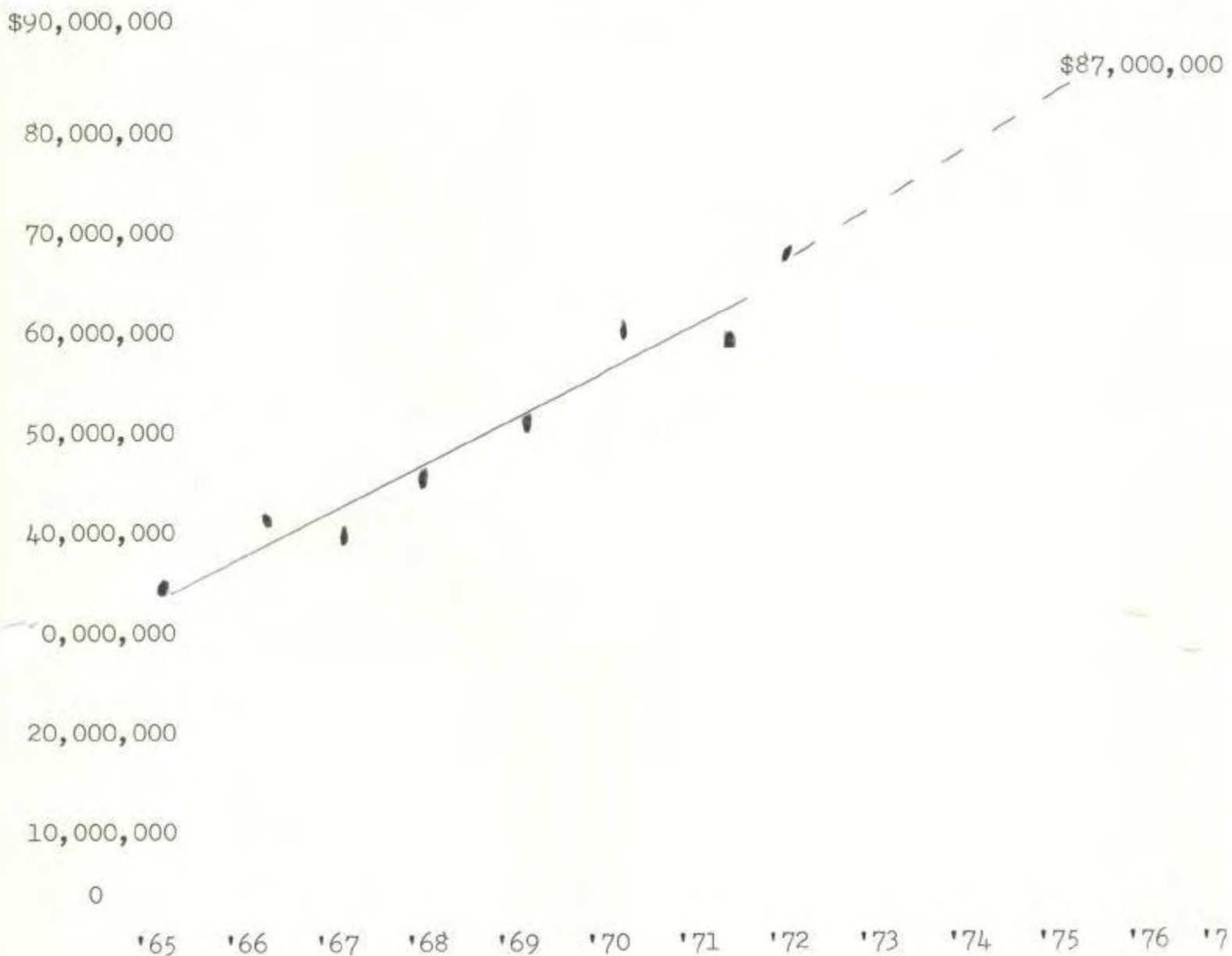
\*Revaluation in effect, 1971

RATABLES-TRUE VALUE  
SUSSEX



RATABLES-TRUE VALUE

WANTAGE



## TAX LEVIES

In addition to assessed valuation, the second key factor which determines the local tax rate is the actual tax levy which is required to provide funds for school, county and municipal purposes. Changes in the tax rate depend upon the combination of changes in assessed value and the tax levy. Thus, a rise in the tax rate might be required despite an increase in assessed value, due to a higher increase in the tax levy. This is essentially what has occurred in Sussex and Wantage (and most other municipalities in New Jersey) where increases in the tax levy have exceeded increases in assessed value or other revenue sources, thereby requiring a higher tax rate to provide funds for governmental services. Table 7 provides a summary of the change in the municipal and the total tax levies from 1965-1972.

In Sussex, the municipal tax levy has increased by \$20,215 or 30.3% between 1965 and 1972 and the total levy has increased by \$379,398 which is a rise of 143.7 per cent. In Wantage, during the same years, the municipal levy has increased by \$217,770 which is a 171.7% increase and the total levy has risen by \$1,542,118 which represents an increase of 203.9% in this seven year period.

These increases in tax levies are significant, particularly the sharp increase in the municipal levy which has occurred in Wantage, compared to a smaller increase in the true value of property. However, what is more important, is the steady trend of higher tax levy requirements, which can be seen over the years. This indicates a clear pattern of increased tax needs over all, despite contrary fluctuations which occur periodically. An example of one such fluctuation is the decrease in the municipal tax

levy in Sussex in 1968 which was achieved by unusually high utilization of surplus funds in order to maintain a stable tax rate that year. Instances such as this are exceptions to the general trend of higher tax levies.

It is in this context of continuously higher tax requirements that the financial analysis of consolidation must be made. Once again, it is valid to note that with the increasing financial "squeeze" faced by municipalities in New Jersey, and in this case, Sussex and Wantage, all possible steps, including municipal consolidation, should be taken, when feasible, to minimize these needs and financial problems.

The significance of the tax levy problem can perhaps best be seen in Charts 3, 4, and 5, and 6 which provide a projection of the tax levies which can be anticipated in the future, based on recent experience in Sussex and Wantage. Although they are subject to change, they give the most accurate estimate that can be made, based on current laws and conditions and show the large tax levy increases which are likely to occur unless a fundamental change is made in tax law for municipalities or other revenue sources are found to finance needed public services. Stated differently, the tax levy projections are based on the necessary assumption that the proportion of total revenues from sources other than real estate taxes will not change in between 1972 and 1977.

Chart 3 shows that the municipal tax levy in Sussex can be expected to rise to \$164,000 by 1977. This is an increase of \$77,070 compared to 1972. It should be mentioned that the irregularity of the municipal levy in Sussex in the past make a future projection difficult. Hopefully, if the sharp increase

required in 1972 is not representative, municipal tax levy requirements will not be as high as indicated. At the same time, Chart 4 shows that the municipal tax levy in Wantage will increase from \$344,590 to \$500,000 in 1977, or an increase of \$155,410 during this five year period.

Perhaps more significantly, Charts 5 and 6 indicate the anticipated rise in the total tax levy for all public purposes through 1977. Chart 5 projects a total levy in Sussex of \$915,000 by 1977 which is an increase of \$271,501, or 42.2 per cent. Chart 6 provides an estimated total tax levy in Wantage of \$3,430,000 in 1977. This is an increase of \$1,131,670, or 49.2 per cent in five years.

TABLE 7  
 SUMMARY OF TAX LEVIES FOR MUNICIPAL AND ALL PURPOSES  
 BOROUGH OF SUSSEX AND TOWNSHIP OF WANTAGE

1965 - 1972

<u>YEAR</u>	<u>SUSSEX</u>		<u>WANTAGE</u>	
	<u>MUNICIPAL TAX LEVY</u>	<u>TOTAL TAX LEVY (INCL. MUNICIPAL LEVY)</u>	<u>MUNICIPAL TAX LEVY</u>	<u>TOTAL TAX LEVY (INCL. MUNICIPAL LEVY)</u>
1965	\$ 66,715	\$ 264,101	\$126,820	\$ 756,212
1966	74,870	334,608	121,653	950,855
1967	109,710	450,692	157,204	1,106,662
1968	24,944	409,141	165,122	1,245,387
1969	49,786	452,532	112,524	1,347,886
1970	49,224	520,681	202,240	1,647,465
1971	54,733	604,378	287,825	2,058,537
1972	86,930	643,499	344,590	2,298,330

CHART 3  
TAX LEVY - MUNICIPAL  
SUSSEX

11/3/72

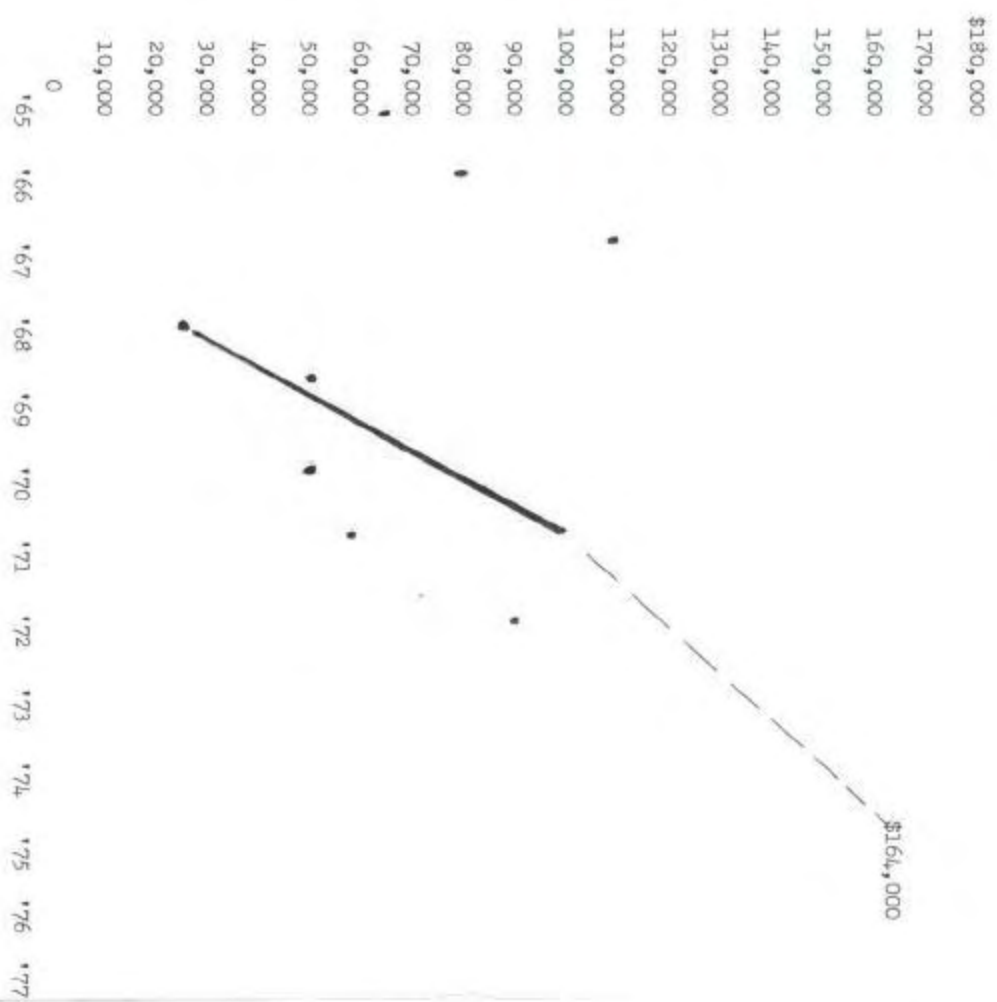


CHART 4  
TAX LEVY - MUNICIPAL  
WANTAGE

11/3/72

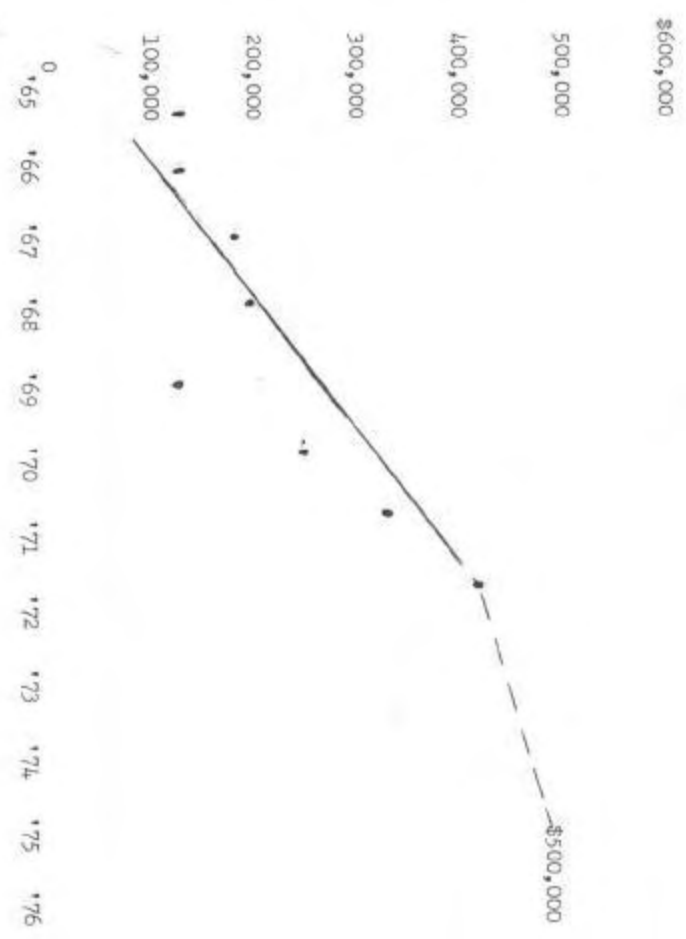


CHART 5  
TAX LEVY - TOTAL  
SUSSEX  
11/3/72

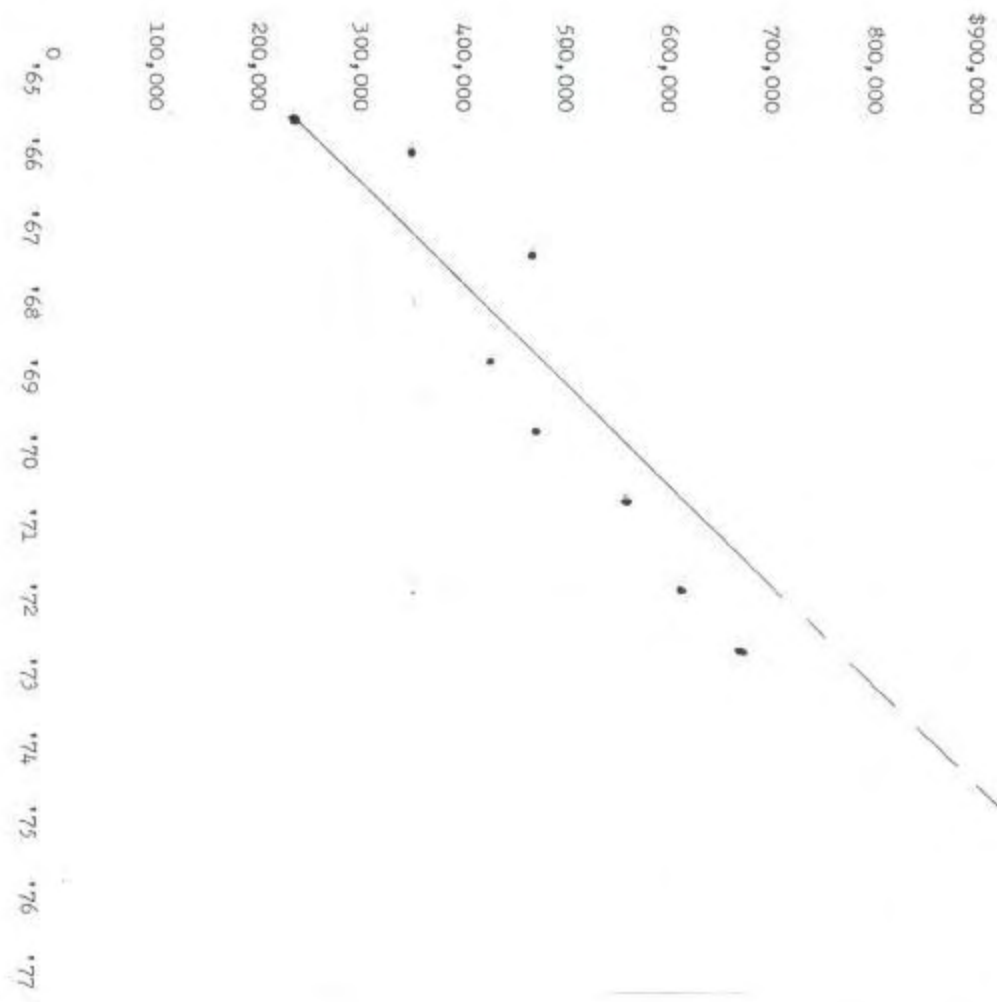
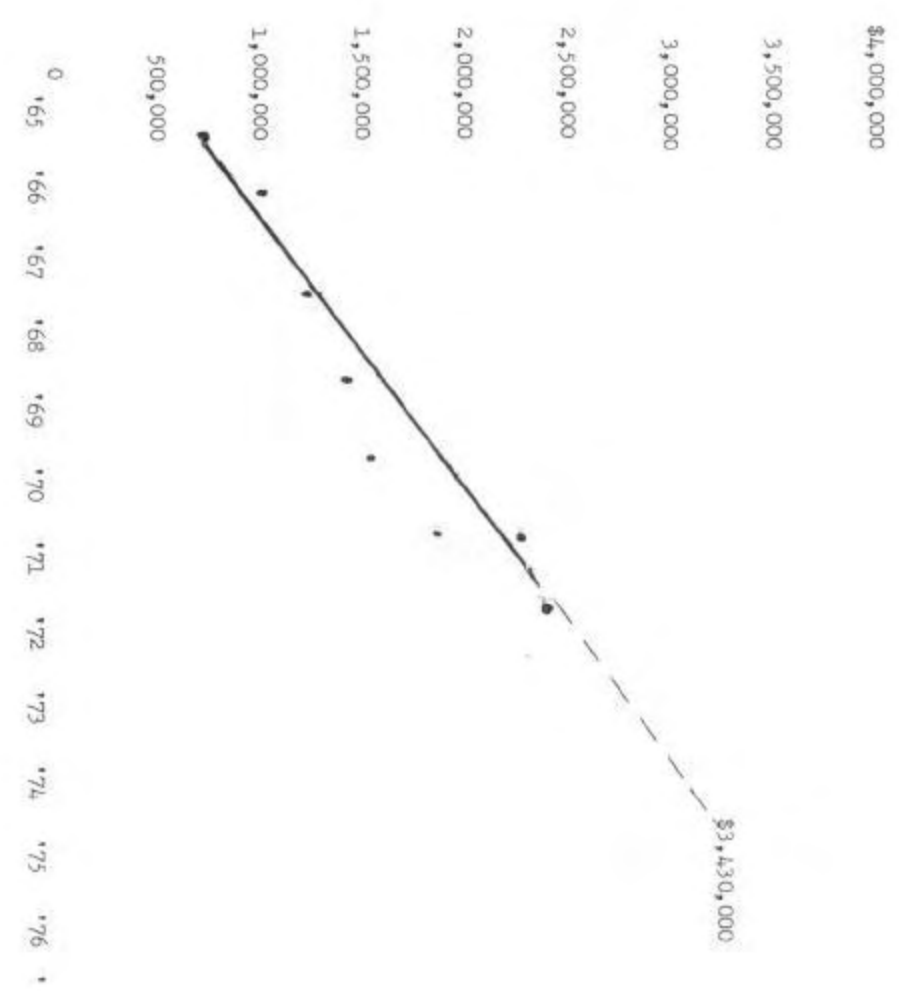


CHART 6  
TAX LEVY - TOTAL  
WANTAGE  
11/3/72



## TAX RATES - THE EFFECT OF CONSOLIDATION IN 1972

In general discussions of taxes, people usually express great concern about the tax rate. However, as noted above, the calculation of the tax rate is actually dependent upon the assessed value and tax levy in any community. Thus, by building upon the data on assessment and tax levies set forth before, information is provided in this section concerning the tax rates in Sussex and Wantage and the effect that consolidation would have both communities based upon 1972 tax requirements. It is this calculation of taxes under a merged local government which generally gets the most attention in considering the financial feasibility of consolidation.

Table 8 provides a review of actual municipal and total tax rates from 1968 to 1972 without adjustment to provide for equalization of assessments to 100 per cent true, market value. In summary, this table shows an increase in Sussex' municipal rate of \$0.195 (22.9%) and an increase in the Borough's total rate of \$4.381 (130.1%). In Wantage the municipal rate has increased by only \$0.018 (3.4%) during the 1965-72 period due to the effect of the revaluation of property in Wantage in 1971 which reduced the tax rate by \$0.166 compared to 1970. During this same period, the total tax rate in Wantage has increased by \$0.494 (15.8%). It is noteworthy that the tax rate in Wantage has increased despite a recently completed revaluation of property. This fact clearly indicates the problem of the "gap" between appropriations for necessary services and the rateables to pay for these services. Furthermore, Wantage must anticipate large increases in appropriations in the future, compared to present practice, for increased services

in virtually all areas, but especially for new functions such as police protection and water and sewer utilities, which are likely to greatly increase tax requirements.

Tables 9 and 10 now provide detailed tax information for 1972 from which to calculate the consolidated tax rate of Sussex and Wantage on an equalized basis and to compare this with the individual tax rates in each municipality. Table 9 shows the equalized assessed value for each community, individually and combined, as well as the tax levy for specific purposes on both an individual and consolidated basis. From this, Table 10 provides a tabulation of the actual and equalized tax rates for Sussex and Wantage and a calculation of the effective tax rate on a consolidated basis.

The method used to determine equalized tax rates for Sussex and Wantage individually and on a consolidated basis, is to divide the tax levy for each purpose by the equalized assessed valuation. This method provides a consistent basis for all calculations and comparison between tax rates of the two separate municipalities and a consolidated government.

TABLE 8

## TABULATION OF TAX RATES

PER \$100'S OF ASSESSED VALUE FOR MUNICIPAL AND ALL PURPOSES  
BOROUGH OF SUSSEX AND TOWNSHIP OF WANTAGE

1965 - 1972

YEAR	SUSSEX		WANTAGE	
	MUNICIPAL TAX RATE	TOTAL TAX RATE (INCL. MUNICIPAL RATE)	MUNICIPAL TAX RATE	TOTAL TAX RATE (INCL. MUNICIPAL RATE)
1965	.852	3.371	.532	3.172
1966	.908	4.058	.473	3.694
1967	1.253	5.148	.585	4.122
1968	.312	5.113	.562	4.241
1969	.614	5.583	.359	4.296
1970	.624	6.598	.628	5.116
1971	.662	7.313	.462	3.306
1972	1.047	7.752	.550	3.666

TABLE 9

1972 EQUALIZED ASSESSED VALUATION AND TAX LEVY BY PURPOSE,

INDIVIDUALLY AND CONSOLIDATED

BOROUGH OF SUSSEX AND TOWNSHIP OF WANTAGE

	<u>SUSSEX</u>	<u>WANTAGE</u>	<u>CONSOLIDATED</u>
<u>I EQUALIZED VALUATION</u> (100% True Value from County Abstract of Ratables)	\$ 11,064,976	\$66,762,356	\$77,827,332
<u>II TAX LEVIES</u>			
County	102,155	611,593	713,748
Library (County)	3,588	21,482	25,070
School (Local & Regional)	440,546	1,294,185	1,734,731
Municipal	86,930	344,590	431,520
Veterans & Sr. Citizens Exemptions	<u>10,280</u>	<u>26,480</u>	<u>36,760</u>
TOTAL	\$ 643,499	\$ 2,298,330	\$ 2,941,829

TABLE 10

TABULATION OF 1972 TAX RATES PER \$100'S OF VALUATION  
 ACTUAL AND EQUALIZED, INDIVIDUAL AND CONSOLIDATED

BOROUGH OF SUSSEX AND TOWNSHIP OF WANTAGE

PURPOSE	<u>SUSSEX</u>		<u>WANTAGE</u>		<u>CONSOLIDATED</u>
	ACTUAL	EQUALIZED	ACTUAL	EQUALIZED	
County	\$ 1.231	\$ 0.924	\$ 0.976	\$ 0.916	\$ 0.917
Library (County)	0.043	0.032	0.034	0.023	0.032
School (Local and Regional)	5.307	3.981	2.064	1.938	2.223
Municipal	1.047	0.786	0.550	0.516	0.554
Veterans & Sr. Citizens Exemptions	0.124	0.093	0.042	0.040	0.047
TOTAL	\$ 7.752	\$ 5.816	\$ 3.666	\$ 3.433	\$ 3.773

## OVERALL FINANCIAL EFFECT OF CONSOLIDATION

As indicated by Table 10 (tax rates) the effect of consolidation on taxes in Sussex and Wantage based on 1972 tax levies is to reduce the equalized tax rate in Sussex by \$2.04 while raising the rate in Wantage by \$0.34. The first impression given from this chart is that Sussex will gain a large tax benefit from consolidation while Wantage will have increased tax costs. However, such a conclusion gives only a superficial view of the real financial effect of consolidation. The tax data shown, constitutes only one aspect of the total financial effect of consolidation on Sussex and Wantage. It must be emphasized that an accurate conclusion concerning this question can only be reached by consideration of all major factors that influence local expenditures which, in turn, affect the tax rate. These factors include:

1. The specific effect on individual taxes in Wantage.
2. The value and availability of utilities in Sussex.
3. Police services in Sussex.
4. Long range tax requirements in Sussex and Wantage
5. The overall efficiencies of consolidation.

Brief explanations concerning these five factors are provided in the following sections.

### THE SPECIFIC EFFECT ON INDIVIDUAL TAXES IN WANTAGE

Although the equalized tax rate in Sussex would decrease by \$2.04 in 1972, the corresponding increase in the Wantage rate is limited to 0.34 due to the larger assessed value in Wantage over which the adjustment in the Sussex levy can be distributed. This does not alter the fact that, based on 1972 taxes and services,

Wantage property would have somewhat higher taxes on a consolidated basis. However, to put this increase into perspective, it should be noted that in the period from 1965-1972 (with the exception of 1970 when a revaluation of property became effective) the average annual increase in the Wantage tax rate was \$0.384. Thus, the consolidated adjustment in the Wantage tax rate is less than the average annual rate increase which has been required in recent years. This comparison of rate increases is not intended to make the higher tax rate appear any less undesirable, but simply to show that the adjustment, which would be a one time effect, would not cause a drastic upheaval or increase in taxes for Wantage residents.

Specifically, the change in taxes for an "average" \$20,000 home in Wantage in 1972 under a consolidated government would be an increase of \$68. This increase obviously cannot be ignored, but the change is much less than might be indicated by the \$2.04 decrease in the Sussex tax rate. MORE IMPORTANTLY, THE OTHER FACTORS NOTED BELOW, substantially offset this indicated tax increase from a comprehensive financial point of view.

#### UTILITIES IN SUSSEX

As described previously, Sussex has both water and sewer utilities to serve virtually all of its residents, while Wantage has neither water or sewer service for any of its citizens. Sussex is most fortunate with respect to its water supply system which has the capacity to be far in excess of future demands for the Borough alone. Wantage is in the position of having no public water supply in a community with increasing new development.

It is obvious that some type of central water supply facilities must be provided in the future. The sooner this can be done, the more the township will benefit from the standpoint of both cost and public health. In view of the excess capacity of Sussex' water system and the fact that the supply source is located in Wantage, there is a high feasibility of providing public water supply to areas near the water transmission line in Wantage for the mutual benefit of both communities. The most immediate problem hindering such an expansion in water service is the limited size and age of the present main supply line running from Lake Rutherford to Sussex. Although this eight inch diameter line can presently meet the needs in Sussex, it could not provide for a significant increased supply in Wantage. However, this line is currently 76 years old and will ultimately require replacement based both on age and on probable higher water needs in Sussex in the future, regardless of whether service is supplied in Wantage or other areas. Thus, an expansion of the water system could have the following significant benefits to both Sussex and Wantage.

1. Wantage could get immediate water at a more economical rate than it could provide by developing its own new system, even with the cost of a new, larger transmission line.
2. Sussex could provide for virtually a permanent water supply facility by the installation of a new transmission line to better meet its needs at a cost which is much less expensive than is likely in the future and which is shared with the overall broader base of utility users in both communities.

3. Possibly, even with the cost of a new main transmission line, the new users of the water system in Wantage could provide additional revenues that would supplement general revenues of a consolidated government thus aiding both communities, but particularly offsetting the higher, adjusted tax rate in Wantage as a result of consolidation.

The situation with respect to the sanitary sewer system is similar. In this case, the limiting factor is that Sussex' sewage treatment plant is presently operating near its full capacity and thus substantial new users from Wantage cannot be immediately accommodated. However, the present treatment plant is capable of expansion and the need for a sanitary sewer system in Wantage will probably be even more difficult and pressing in coming years than the problem of water supply. The expansion of the Sussex sewer system could not meet all future needs in Wantage, but it could provide relatively fast service in some areas while offering the same type of benefits as noted above with respect to the water supply system.

Based upon this preliminary information, it is recommended that the Borough-Township engineer be authorized to prepare a more detailed engineering and cost study of both the water and sewer systems to clearly identify costs and potential users for expanded facilities, as well as the overall financial benefit which could be provided.

One final thought which should be noted is that a somewhat higher rate structure for utilities could provide revenues for expansion and an offsetting benefit to the higher consolidation tax rate in Wantage, while still providing a net decrease in costs for

Sussex residents if consolidation takes place. This point should be given very careful consideration because it is clearly representative of the type of comprehensive analysis which is needed to show the mutual financial benefit which can and should accrue to both municipalities in a municipal government consolidation.

### POLICE SERVICES

One of the most obvious needs in Wantage is the establishment of a full-time municipal police department. In past years, Wantage, as a sparsely populated, rural community, has received essential police services from the State Police. At the present time these State Police services are still provided with minor services provided by local "constables." However, State Police procedures now provide that when a municipality reaches a population of 7500, a full-time department should be formed and charges are assessed to the municipality for local police services which are provided by the state. Thus, with a 1970 population of 4,329 and a present estimated population of approximately 5000, it can be expected that in the not too distant future, the State Police will probably advise of the need for a full-time police department in Wantage and institute proportional charges to the township for the cost of state police services. It should be noted that to limit the initial impact of costs for state police services, such costs are phased in over a four year period at 25 per cent increments. That is, during the first year, the State Police charge 25 per cent of the cost of local services provided and increase this by 25 per cent per year until the municipality pays the full 100 per cent cost of services received. A full credit against this charge is also allowed by the state

for any funds expended by the municipality to establish a local police department. It should further be pointed out that the State Police do not actively seek out municipalities at the moment the 7500 population figure is reached to require establishment of a local department and assess costs against the community. Accordingly, it is possible that Wantage or some other municipality could forestall the formal establishment of its own police department for some limited period after reaching a 7500 population. Nevertheless, such a delay is fundamentally undesirable for two reasons. First, the State Police have many responsibilities and cannot be expected to provide full municipal police services which are becoming increasingly important and necessary as new growth and development occurs in Wantage. Second, the longer the establishment of a police department is delayed, the more severe will be the financial impact of such an expense. An example of costs for new police service can be seen from Howell Township, New Jersey, which expended approximately \$75,000 in 1971 in starting its own police department. These funds were primarily used for equipment such as automobiles, office furnishings and uniforms, with only limited personnel costs for three men for approximately two months at the end of the year. Although Wantage could possibly begin more slowly, a first year expenditure of a least \$50,000 would probably be necessary to properly organize a municipal police department. Based on 1972 rateables, this expense alone would add approximately \$0.08 to the tax rate in Wantage.

If the need for police services is accepted along with the belief that higher quality local services can be provided by

a full-time department rather than limited state police assistance, the great advantage of establishing police services through consolidation is clear. This is due to the fact that Sussex presently has a police department which is very small, but has basic equipment and facilities with which to function. Undoubtedly, consolidation and resultant police services in the area of both Sussex and Wantage would require additional police personnel. However, this could be provided more gradually for perhaps \$25,000 - \$30,000 in the first few years, and could be spread over the tax base of both communities rather than Wantage alone. At the same time, and perhaps more importantly, Wantage would establish a local service which it does not have now, at a lesser cost than would be possible by proceeding alone. Sussex would also benefit by receiving considerably better, around the clock police services made possible by a larger police department.

#### LONG RANGE TAX REQUIREMENTS IN SUSSEX AND WANTAGE

Another important factor which must be considered in analyzing the financial effect of consolidation is the long range tax requirements for both communities. Table 10 (consol. tax rate table) has shown that, based on 1972 data, Sussex would achieve an immediate tax benefit and Wantage would have a moderate tax increase. However, it must be stressed that this situation reflects an immediated condition in only one year, whereas the true financial effect must be measured over a period of at least five or ten years after a consolidation actually occurs. An estimate of this effect can best be seen by a review of past and projected levies shown in Table 7 and Charts 5 and 6. Table 7 shows that the total tax levy in Wantage has increased by \$1,542,118 (203.9%)

in the period from 1965-1972 while the total levy in Sussex has increased by the lesser amount of \$379,398 (143.7%) during the same period. Based on all available current information, Charts 5 & 6 show a projected tax levy increase in Wantage of \$1,131,670 between 1972 and 1977 compared to an increase of \$271,501 in Sussex during the next eight years. It is acknowledged that these amounts represent total taxes, including school taxes which would not be effected by consolidation. Nevertheless, they show the magnitude of the tax problem faced by both municipalities in future years. Added to this is, the writer's opinion that Wantage will be faced with vastly increased municipal costs in the next ten years if adequate local services are to be provided. Increases of the type contemplated are well beyond the proportions experienced in the past and will continuously tend to equalize the difference in taxes between Sussex and Wantage at the time of consolidation. Although it would be difficult and unwise to state specific dollar amounts for future years, the broader base provided by the combined rateables in Sussex and Wantage along with the relatively more stable tax requirements which are likely in Sussex, will provide a gradual benefit to Wantage residents and will tend to balance out tax costs for the two communities over a period of time. This trend would thus provide a long range benefit to Wantage taxpayers during the next eight to ten years, which would reconcile the immediate benefit to Sussex taxpayers for the mutual benefit of the people in both communities.

#### THE OVERALL EFFICIENCIES OF CONSOLIDATION

Perhaps the most significant factor which should be recongnized

in studying the overall financial effect of consolidation is the comprehensive efficiencies in providing services which would be afforded by a consolidated government. The immediately preceding sections of this report have dealt with specific items such as police service, utilities and statistical calculations of tax costs. In contrast, this section concerning efficiencies of a consolidated government, is extremely broad and comprehensive in scope and effects vitually all services provided in both municipalities.

In short, it can be stated that actual dollar savings or savings by providing better service for equal costs can be achieved by gradual consolidation of dual positions, elimination of duplicate paperwork and economies of schale which would be possible by combining the two individual municipal governments into a single, consolidated municipality.

Here again, it is difficult to set forth specific, absolute amounts of savings which would result from the efficiencies of consolidation. However, as an example, Table 11 provides a listing of amounts actually budgeted in Sussex and Wantage in 1972 for 60 specific activities on which has been indicated items for which savings can be obtained through either immediately reduced costs or efficiencies afforded by improved service without increased costs.

Although no individual estimates of savings have been made, it is the writer's strong belief that a valid "ball park" estimate of such savings during the first two years of consolidated operation is at least \$25,000 and that these savings would multiply many times over in the future to provide savings well in excess of \$100,000. It must be emphasized that this conclusion is not intended to imply that consolidation will

allow an actual reduction in budgeted expenses. Previous charts have clearly shown the trend in increased expenditures which must necessarily occur in order to meet higher costs and higher levels of service which are required. Rather, these estimated savings indicate potential savings if service levels could remain unchanged or savings afforded by providing a higher level of service for a lesser cost, once a determination has been made by the governing body that such a higher level of service is needed to meet the requirements of the municipality.

It is these savings which would increase continuously over a period of years, in addition to other financial factors noted above that would provide overall financial benefits to both Sussex and Wantage, that makes a governmental consolidation mutually advantageous to both municipalities.

TABLE 11  
 TABULATION OF 1972 BUDGETED COSTS  
 AND POSSIBLE SAVINGS FROM CONSOLIDATION

ITEM	SUSSEX	WANTAGE	TOTAL	DIRECT SAVINGS	SERVICE EFFICIENCY SAVINGS
1. Administrative & Executive S&W*	\$ 1,000	\$13,250	\$14,250		X
2. " " O.E.*	3,500	4,300	7,800		X
3. Elections, O.E.		1,400	1,400		X
4. Finance Admin., S&W	1,000	5,750	6,750		X
5. Finance Admin., O.E.	2,000	3,200	5,200		X
6. Assess. of Taxes, S&W	1,500	11,600	13,100	X	X
7. Assess. of Taxes, O.E.	2,000	1,800	3,800		X
8. Collection of Taxes, S&W	1,000	14,300	15,300	X	X
9. " of Taxes, O.E.	1,000	2,500	3,500		X
10. Legal, O.E.	7,000	9,500	16,500	X	X
11. Engineering, O.E.		7,500	7,500		X
12. Bldg. & Grds., S&W	1,500	4,000	5,500		
13. " " O.E.	4,000	6,000	10,000		
14. Zoning (Planning) S&W	350.	900.	1,250	X	X
15. " " O.E.	3,000	250.	3,250		X
16. Bd. of Adj., S&W	300.	900.	1,200	X	X
17. " " O.E.	700.	150.	850.	X	X
18. Insurance, O.E.	15,850	22,300	38,150	X	X
19. Aid to Ambulance		1,000	1,000		
20. Aid to Fire Dept.	4,500	11,250	15,750		
21. Fire Hydrants, O.E.	3,500	500.	4,000		
22. Police, S&W	27,500		27,500		X
23. Police, O.E.	3,900		3,900		X
24. Municipal Court, S&W	2,500	5,700	8,200	X	X
25. " " O.E.	350.	600.	950.		X
26. Insp. of Bldgs., S&W	1,000	1,680	2,680		X
27. " " " O.E.		1,480	1,480		X
28. Civil Defense, S&W					
29. " " O.E.	1,000		1,000		

\*S&W - Salaries & Wages  
 O.E.- Other Expense

ITEM	SUSSEX	WANTAGE	TOTAL	DIRECT SAVINGS	SERVICE EFFICIENCY SAVINGS
30. Roads, S&W	\$16,500	\$85,000	\$101,500		X
31. " O.E.	11,500	75,000	86,500		X
32. Snow Removal, S&W	-	16,000	16,000		X
33. " " O.E.	-	15,000	15,000		X
34. State Aid, Roads	1,500	17,000	18,500		X
35. Street Lights	5,500	-	5,500		
36. Trash Pick-Up	1,600	-	1,600		
37. Health, S&W	1,500	1,000	2,500		X
38. Health, O.E.	600.	600.	1,200		X
39. Visiting Nurse, S&W	1,500	3,100	4,600		
40. " " O.E.	-	250.	250.		
41. Welfare, S&W & O.E.	1,000(O.E.)	1,350	2,350		
42. Aid to Hospitals, O.E.	-	2,000	2,000		
43. Recreation, S&W	1,000		1,000		
44. Recreation, O.E.	500.	1,500	2,000		
45. Band, O.E.	300.	-	300.		
46. Celebrate Publicity Events	600.		600.		
47. Library	1,500	2,000	3,500		
48. Contingent					
49. Capital	10,200	34,000	44,200		X
50. Debt Service	-	-	-		
51. Deferred Charges	5,640	27,128	32,768	X	X
52. Pension System	3,100	4,500	7,600		
53. Social Security	3,000	8,900	11,900		
54. Reserve for uncollected Taxes	72,000	290,000	362,000		
55. Landfill, S&W	-	5,025	5,025		
56. " O.E.	-	5,000	5,000		
57. Sanitary Insp. S&W	-	3,500	3,500		X
58. Sanitary Insp. O.E.	-	600.	600.		X
59. Gypsy Moth, O.E.	-	2,000.	2,000		
60. Merger Study, O.E.	-	300.	300		
	\$228,990	\$732,563	\$961,553		
61. Water & Sewer Utility	\$ 79,567	-	79,567		

\*S&W - Salaries & Wages  
 \*O.E.- Other Expenses

## CONCLUSION: CONSOLIDATION

### BASIS FOR CONCLUSION

A detailed review of pertinent information concerning Sussex and Wantage as described above has led to a clear conclusion by the writer that a merger of the two municipalities would provide overall benefits which would be in the best interest of both communities. Stated briefly, the benefits and basis for this conclusion are a basic compatibility in planning, zoning and land use along with mutual financial advantages in providing local services. These aspects are discussed in detail in the two preceding sections of this report and need not be repeated here.

It is important to emphasize the fundamental point which justifies, and indeed compels the conclusion that a consolidation should take place. This fundamental point is that by consolidation the best overall local government can be provided to the people of both communities. Specifically, from a planning standpoint, this means that the best possible zoning and land use can be established which will provide Sussex with an expansion of its present limited area, while providing Wantage with an existing "hub" area as an intergral part of the municipality from which to logically grow and reach its ultimate development in the future. From a financial standpoint, a consolidation will provide both Sussex and Wantage with benefits, particularly when considered from a long range view. In this respect it is important to emphasize that at the present time, and no doubt continuing in the future, there will be an increasing financial "pinch" in providing needed services combined with public demands for more and better services which makes any

possible improvement to minimize costs of significant benefit. It is this context of limited funds and increased service needs that makes the benefits of consolidation of extreme importance and final justification for the conclusion reached. In the view of the writer, it seems appropriate to make an analogy with private business where thousands of mergers have taken place over the years for the mutual benefit of both companies. Similarly, although no specific "profit motive" can be identified as in industry, two municipal corporations such as Sussex and Wantage which are already closely interwoven, both geographically and through existing joint service systems, can best serve their "stock holders" by a full consolidation and the ultimate benefits which will result.

Finally, there is one other meaningful factor which should be noted. This is the present community of interests and the intangible ties which exist between the people and governments of Sussex and Wantage. This can be reflected in many ways. One of the best examples of this is the business area in Sussex which provides shopping facilities for many residents of Wantage as well as those of Sussex. The togetherness of long experience with joint school facilities both with the former Sussex High School and now the larger High Point Regional District is also very important. Another example is the working relationship which has developed in providing present joint services which are probably greater in number and more significant in effect than those in any other municipalities where consolidation has been considered. Lastly, the relatively small population of both communities helps to provide an atmosphere that aids the feasibility of a governmental consolidation. This smallness allows much of the "everyone knows everyone" feeling to continue which is

rare in most communities and again, was probably very limited in other communities where consolidation has been suggested in the past. In this connection, it was apparent to the writer in speaking to officials of both Sussex and Wantage that, despite some natural differences of opinion, there is a definite "kinship" between the two towns from long years as rural neighbors which permeates the overall attitudes that exist. This is, no doubt, due to the virtually daily contact between people from both communities through business relationships, recreation, school activities, providing local services and common new media such as the local newspaper and radio station. This understanding and "kinship" makes the changes and desirability for consolidation much greater. As time goes on and growth and changes occur, this close relationship will necessarily become weaker in the future.

#### PREVIOUS MERGER EXPERIENCE

Perhaps a word should be said as to previous merger experience in New Jersey and the relationship of this experience to Sussex and Wantage.<sup>1</sup> In short, the history of local government consolidation in New Jersey has been substantially unsuccessful. Rather, the last century, particularly from 1860 to 1930, has been characterized by a proliferation of local government units. The first law providing for consolidation was enacted in 1891, under which several "village" consolidations took place. In 1908, a second statute was enacted under which Wildwood and Wildwood Beach City consolidated into the City of Wildwood in 1911. Supplemental consolidation legislation

1. Source: "Municipal Consolidation: Oldmans Township, Pennsgrove Borough, Upper Penns Neck Township Salem County, New Jersey: A Feasibility Survey, 1969.

was enacted in 1917, 1923 and the late 30's. However, during the 55 year period from 1917 to 1972 only three local government consolidations have been accomplished. These were:

1. The merger of Union and West Hoboken into Union City in 1924.
2. The merger of Linden Borough and Linden Township into The City of Linden in 1925.
3. The merger of Landis Township and Vineland into The City of Vineland in 1952.

Thus, in the "modern" era since World War II, the only successful consolidation has been the one achieved in Vineland. At the same time, there have been a number of unsuccessful consolidation efforts over the years. These have included the cities of Passaic and Clifton in the late 1930's, Princeton Borough and Princeton Township in 1953, and again in 1965, and Hightstown Broough and East Windsor Township in 1969. In addition, since 1968, the New Jersey Department of Community Affairs has aided in the preparation of eight consolidation studies such as this one, but to date none of these has resulted in formal approval of a consolidation plan.

What does this previous poor record of consolidation attempts mean and what is its relationship to Sussex and Wantage? First, in most previous cases there have been similar circumstances such as those in Sussex and Wantage which have been the reason for giving consideration to consolidation at the outset. The best two examples of such circumstances are cases where one municipality completely surrounds or almost surrounds another, and instances where one community is largely developed and often provides the major shopping area for the other. Both of these circumstances apply to the Sussex-Wantage study. Secondly, it is obvious that

strong feelings of individual identity and apprehension about joining with another, separate governmental entity have limited the approval of municipal consolidations in the past. Lastly, it is also obvious that the need for and benefits of consolidations are increasing continuously, as the importance and problems of providing needed governmental services grow in communities in New Jersey as well as in other states across the country. This has been best enunciated by New Jersey's County and Municipal Government Study Commission which, during the last four years, has issued numerous reports pointing to the urgent need for broader approaches in providing vital local government services.

It is these last two factors of local identity and the need for better methods of meeting local service needs that offers the great hope for Sussex and Wantage. With respect to the question of individuality, Sussex and Wantage have a headstart compared to most other communities in that the strong common bonds of "kinship" between the people in these two relatively small towns at least balances, and could even offset, other strong feelings as to the separate identity of the two municipalities which naturally exist. Concerning the growing need for new and better methods of providing local services, Sussex and Wantage are again the forefront and in an advantageous condition compared to other communities for several reasons. First, the two municipalities have already joined together to provide joint services in many areas, perhaps to a greater degree than any municipalities which have considered consolidation in the past. Secondly, due to their small size both towns still rely to a great degree on part-time personnel to provide necessarily limited services. Consolidation would not immediately eliminate this situation, but it would provide an immediate

improvement and speed the elimination of this condition in the future. Thirdly, by fortunate coincidence, Sussex and Wantage have a high degree of interchangeability in services which will be maximized if a consolidation occurs. Thus, for example, Sussex would provide the basis for police service and water and sewer utilities while Wantage would provide the basis for items such as animal control, refuse disposal and road maintenance (although Sussex does presently employ road department personnel).

The final conclusion of all of the above information is, once again, the strong recommendation that Sussex and Wantage consolidate into a new, single municipality which will provide the people of both communities with benefits having a financial and service performance impact and will also establish the organization to best meet the increasing demands for local government operation in the future.

## EMPLOYEES, SERVICES AND OTHER MERGER CONSIDERATIONS

If a consolidation of Sussex and Wantage is to take place, present employees will be effected, services will change and a number of other items will require consideration. Brief comments on these items is provided below.

### EMPLOYEES

It is natural that employees of both communities would be apprehensive about changes in working conditions or possibly even abolition of some positions if a consolidation is approved. There is no doubt that a consolidation will require some change; if it did not, there would be no reason for consolidation in the first place. However, this change need not be a traumatic experience for the employees and would probably be beneficial as a result of combining previously separate functions into one office or department which can operate more efficiently and thus better provide services which are required.

This adjustment will be aided by the strong working relationships and existing joint services established by the two communities which have been emphasized above. In addition, the state law regulating municipal consolidation (N.J.S.A.: 43-66.1 to 66.34) specifically provides that any rights under tenure or pension laws will not be affected by consolidation and that library employees, policemen and firemen, either paid or volunteer, shall remain in these positions after the date of consolidation.

Perhaps most importantly, Sussex and Wantage have a great advantage, in terms of consolidation adjustments, in that many services are still provided on a limited, part-time basis. Therefore,

in many cases, consolidation will result in the merger of two part-time positions which will not require any sharp displacement of present personnel. In fact, based upon this circumstance it is recommended that no employee positions be eliminated after consolidation, but that like functions be combined and appointments be made for the head of the department or office and a deputy or assistant in the same office which would be appropriately filled by the present incumbents in Sussex and Wantage. This system could still provide for part-time service by both individuals in order to minimize costs and could possibly provide a unique opportunity to provide an extremely convenient and high level of service to the people of the new municipality by arranging hours of the two positions in a given department on a schedule of both day time and evening hours.

In future years as service needs increase, part-time positions for department heads could gradually be increased and the "deputy" positions, if not specifically required, could be phased out through retirement or normal turnover of personnel. It is felt that this system of operation after consolidation will offer multiple advantages of: Minimum adjustment for employees, a higher level of service and equal or lesser cost for services provided.

#### SERVICES UNDER CONSOLIDATION

The previous section concerning the financial aspects of a consolidation included specific discussion of the effect upon and value of consolidation on police services and water and sewer utilities. That information need not be repeated here. The financial aspects section also noted possible benefits and efficiencies

of consolidation in the performance of other services which should be noted further.

In general, the present situation and future outlook for individual service needs in Sussex and Wantage is as follows:

Sussex - The Borough presently provides essentially a full range of services for its residents. Nevertheless, many of these services are necessarily limited due to the small size and limited resources of the community. More significantly, the Borough is faced with a difficult financial problem in the future caused by the need for better services and continuously increasing costs while having virtually no room for growth and an expanded tax base to pay for these costs.

Wantage - The Township finds itself with much different conditions. It has a more limited range of services and must prepare to provide these services to its present population, which is already twice that of Sussex spread over an area of almost 68 square miles, while also providing for great expansion of services required by new development which is already beginning to take place. Perhaps the most important of these services are the need for police protection and capital improvements for water and sewerage service, all of which are presently provided in Sussex.

The effect of consolidation on municipal services is discussed below.

#### PRESENT JOINT SERVICES

As noted previously, Sussex and Wantage have established

cooperative arrangements in the past to provide a number of local services including schools, animal control, recreation, library, refuse disposal and the public health nurse, essentially, none of these services would change, particularly in the school system. There is a recognized need for a new elementary school which must, of course, be approved by voter referendum. A consolidation would not directly effect such a decision, but perhaps it would be of value in eliminating any remaining inhibitions by people in either municipality as to who most needs, will benefit and will pay for a new school.

In the case of the animal control, library, refuse disposal, public health nurse and recreation programs, certain efficiencies will result by reducing red tape and paper work for items such as separate payment of compensation for the dog warden and separate budgeting and payment of fees for the sanitary landfill. Parenthetically, although the actual day to day operation of the school system would not change, it should be pointed out again that some adjustment in the distribution of schools costs would result from consolidation which is provided for as part of the overall consolidated tax rate calculation shown in Table 10. In addition, if nothing else, a consolidation will end forever the minor irritation which has existed in both communities in connection with the use of recreational facilities and the payment of costs for the maintenance of same, including, in one instance, the payment of taxes by Sussex to Wantage for the Borough owned recreation site in the township.

#### ADMINISTRATION

In both Sussex and Wantage, administrative functions are provided by a part-time municipal clerk along with ad hoc arrangements of varying responsibility by elected members of the governing body. In recent years, growth in Wantage has

required increasing hours by the clerk in Wantage, while the Sussex clerk has been able to maintain part-time status and is on call as necessary. It is a fact that the municipal clerk's position is a good example of the above stated suggestion that offices be combined to include a "deputy" appointee to provide continuity of employment and service. This could be accomplished very well with the appointment of a clerk and a deputy clerk whose work and hours could be coordinated to provide for necessary work and service to the public. The actual office of the clerk could be provided in either of the present municipal buildings depending upon the overall distribution of facilities after consolidation, although the most logical location would probably be the present Wantage Town Hall.

In connection with overall administration, consideration should be given to the establishment of a full-time administrative position to coordinate and direct activities in order to provide the best and most economical level of service possible. This thought is discussed in more detail below, as part of the consideration of the "form of government" after consolidation.

#### FINANCE, ASSESSMENT AND TAX COLLECTION

At the present time finance and assessment functions are provided on a part-time basis in both Sussex and Wantage. Tax collection is a full-time service in Wantage and part-time in Sussex. It has been indicated that in 1973 the Tax Assessor's office in Wantage will also become a full-time position.

In any event the two independent offices which now exist

for each of these functions could readily be combined to provide better service without increased cost or displacement of personnel. Since these functions are closely interrelated, it is important that they be kept together after consolidation takes effect. Here again, the location for these offices depends upon overall allocation of facilities, but presently appears to be most logically in what is now the Wantage Municipal Building. Further comment as to the use of existing buildings is provided below.

### INSPECTION SERVICES

All building, plumbing, health or sanitary inspections in both Sussex and Wantage are now provided on a part-time basis. Consolidation would permit a sharp upgrading of services in the future. Most significantly, neither municipality presently has a plumbing code despite new residential growth in Wantage and new apartment construction in Sussex. By consolidation, all health and inspectional functions could be joined together and carried out efficiently, both for protection and service to residents and in terms of the best utilization of available personnel. Based on the qualifications of individuals employed, specialization may be possible for different employees for items such as building inspections, plumbing inspections and health. As the community grows, building inspection would ultimately become a full-time function and health, plumbing and sanitation functions could be coordinated by a full-time employee specifically trained in this field.

### ROADS AND PUBLIC WORKS

Although both Sussex and Wantage have full-time road and

public works personnel, benefits would be provided by consolidation. One immediate benefit would be the more efficient maintenance program which would be permitted by the elimination of the geographical "hole in the middle of the donut." This would eliminate wasted travel time by two separate departments which can work only on their own roads. The different locations of two garages could also result in possible efficiencies by coordination of work assignments to dispatch personnel from the nearest garage if both of these facilities remain in use after consolidation.

Another benefit of consolidation would be the greater flexibility in providing needed work by having a larger department that can maximize the use of personnel and equipment. For example, at the present time, both municipalities must maintain their own fleet of equipment. It is possible that duplications of equipment do exist which would not be necessary under a merged government. This can best be seen with a large item of specialized equipment such as a street sweeper, roller or motor grader which are needed for some work, but are not needed on a full time basis in either community alone. Thus, a single piece of such equipment could serve the total needs of a consolidated government. Savings from this combination of equipment usage could amount to \$15,000 to \$25,000 for any one machine depending upon the type of equipment involved. It is mutual savings of this type that must be fully recognized along with real estate tax information to determine the total financial effect of consolidation. It is this combination of all factors affecting municipal costs that should provide overall financial benefits to both Sussex and Wantage, regardless of the somewhat high tax rate which will occur in Wantage as a

result of consolidation.

### USE OF PUBLIC FACILITIES AFTER CONSOLIDATION

Some mention should be made concerning the use of existing facilities for activities of a new consolidated government. This primarily involves the Wantage Municipal Building (including the road department garage), the Sussex Borough Hall (including the fire station) and the Borough garage. It should be noted that actual assignment and usage of facilities will require study and coordination at the time consolidation becomes effective. However, the following suggestions can serve as at least preliminary recommendations and offers at least one plan, with some alternatives, which would be workable.

1. It is recommended that the Wantage Municipal Building serve as the main administrative building. This would include offices for the municipal clerk, the treasurer, the tax assessor and the tax collector as well as provide the main public meeting room and areas for the governing body and other boards and committees. This recommendation is made since the Wantage Municipal Building is better designed for such services than the Sussex Borough Hall and can more readily be expanded in the future when additional office space is needed.
2. It is recommended that the first floor of the Sussex Borough Hall be utilized for expanded police headquarters facilities. This would include some renovations when possible, particularly to utilize the area now occupied by the tax collector.
3. It is recommended that the second floor of the Sussex Borough Hall be appropriately

divided into offices for health and inspectional functions. This would include building, plumbing and sanitation inspections, along with health services.

The result of this recommendation will be to make the present Borough Hall, in effect, a single public safety building for the new consolidated municipality.

4. It is recommended that road department activities be centralized at the garage facility of the Wantage Municipal Building. This would then free the present Sussex Borough garage for other use, including possible designation as a fire house. This would be appropriate, since ambulance vehicles are presently housed in the garage and the establishment of a separate fire house would allow further renovation and expansion of needed police facilities in that area of the Borough Hall now used for fire equipment.
5. As an alternative, if an efficient work system could be developed or both garages were needed to house and maintain road equipment which would be retained after consolidation, a main garage and "branch" garage would be provided with fire and ambulance equipment being housed the same as at the present time.

The net result of any allocation of building facilities after consolidation, would be an increase in space for local services, many of which must now be performed out of the homes of the officials of the two communities. this is possible by the elimination of duplicate

facilities afforded by consolidation and is one more example of the type of cost saving efficiencies emphasized above that make a Sussex-Wantage merger so beneficial.

#### TYPE OF GOVERNMENT

New Jersey law provides for five "types" of municipal government units. These are cities, boroughs, township, towns, and villages. By far, the most widely used types are cities, boroughs, and townships. Of these three, a "city" seems entirely inappropriate for the character and area where Sussex and Wantage are located. This leaves a choice between a borough, which Sussex now is. Points might be raised on behalf of either of these types of government. It is the writer's feeling that essentially this choice is not crucial since both types would be satisfactory and would operate essentially the same, as far as governmental services are concerned. If there is any factor which might influence this choice, it is the general connotation that "Boroughs" are usually, relatively small in area and densely populated, while "Townships" are usually larger in area with lower population density. Recognizing that at the time of consolidation the new municipality would have an area of some 69 square miles and a population of about 7500, the "norm" of adopting a township type of government might be appropriate.

#### FORM OF GOVERNMENT

At the present time Sussex and Wantage are both small municipalities, operated to a large degree on a part-time basis. In Sussex only police and public works personnel are full-time employees. In Wantage, road and tax office personnel are the only full-time employees, although there are indications of need for additional full-time personnel, in the near future, if not at

once, as a result of the steady growth of the Township. This growth is sure to continue in the future and the need for increased, full-time services will continue at the same time.

In any event, if a consolidation of Sussex and Wantage took place now, these two relatively small communities would become a new, growing municipality of 69 square miles with an estimated population of approximately 7500, 130 miles of roads, and an annual budget of over \$960,000. It is unlikely that either the weak Mayor-Council form now used in Sussex or the old Township Committee form in Wantage will be adequate to provide for the increasing complexity and full-time requirements of this local government. In the writer's view, the best analogy which again can be given is a comparison with private business. No business involving a similar number of activities and employees or having a budget of almost \$1,000,000 is ever directed on a part-time basis. If it were, bankruptcy would probably be inevitable. The same principle applies to governmental operations. The major weakness of the present forms in both Sussex and Wantage is the lack of full-time, coordinated direction of municipal activities. In both communities, elected officials are responsible for both legislative and administrative functions, carried out on a part-time basis. Even in Sussex, with its small area and population, the task of fully considering and determining policy matters is a demanding responsibility for part-time officials. In Wantage, regardless of the consolidation proposal, the growth and development of the township will require consideration of a new, modern form of government to best serve the needs of people in the community.

Thus, the major need in determining a form of government for the proposed consolidation would be to provide a position for full-time, centralized administration of local government activities on a business like basis. Alternatives for changes in government in New Jersey are provided by the State's Optional Municipal Charter Law. The two basic forms of government provided by this law are the "strong Mayor-Council-Business Administrator" form and the Council-Manager form. Both of these forms would establish a full-time, professional, administrative position to provide for needed overall coordination of activities, budgeting, centralized purchasing and other functions. In making its report, a consolidation committee would have to study these forms as well as the options as to the number of council members, ward vs. at large representation and partisan vs. non partisan elections.

It is the strong belief of the writer that if all conditions are equal, the Council-Manager form of government is clearly a superior form of government and affords the best opportunity for efficient operation, except in highly unusual circumstances. In this connection perhaps the best examples which can be given are the Town of Newton and the Township of Sparta, both of which have been well recognized in Sussex County and throughout New Jersey for good government over the years. It is also significant to note that a consolidated community formed by Sussex and Wantage would have a larger area, a larger population and at least double the budget of either Newton or Sparta when these two municipalities adopted the Council-Manager form in 1957 and 1960 respectively. Such a change in form of government would be an added benefit for both Sussex and Wantage which could blend in as part of the total

consolidation and provide cost benefits for years to come.

With respect to the method of representation, it is recommended that at large elections be provided under a new form of government. This method of representation is presently working satisfactorily in both Sussex and Wantage and would help to emphasize the elimination of the old municipal boundaries and the unity of the new community. Lastly, no recommendation is made as to partisan vs. non-partisan elections. Although the writer has personal beliefs that non-partisan elections can help avoid artificial conflicts on various issues, this question can probably best be answered by the consolidation committee.

#### THE NAME OF THE CONSOLIDATED COMMUNITY

One other decision which must be made is the name of the new consolidated community. This decision is a difficult problem involving the tradition and history of both towns. Many names could be suggested or arguments made for or against either of the present names. Because of these factors and the important local character of this decision, no attempt is made here to suggest the most appropriate name of a new community. Here again, this decision can best be made by the residents serving on the consolidation committee.

#### RECOMMENDED TIME SCHEDULE FOR CONSOLIDATION PROCEDURES

A consolidation of the municipal governments of Sussex and Wantage would probably be the most far reaching change in the history of both communities. Because of the magnitude of such a decision, it is important that a specific plan or time schedule be established to give this question the attention which it deserves, regardless of the final conclusion for or against

consolidation. The purpose of this section is to set forth a specific time schedule which could be followed in acting upon the consolidation question. The schedule complies with requirements of the consolidation law which is summarized in Appendix A below. If circumstances delay one step in the procedure, this can be promptly recognized and the schedule can be picked up at the next step and followed according to the time allotted to complete the full procedure.

The recommended schedule for action is as follows:

<u>ITEM</u>	<u>LENGTH OF TIME</u>	<u>DATE</u>
1. Individual study of report by governing bodies and public; at least one meeting of governing body in each municipality to review the report. (suggested date: week of July 23, 1973)	30 days	July 2-31, 1973
2A. Joint study of report by both governing bodies; one or more joint meetings by the governing bodies (weeks of Aug. 5 and Aug. 19, 1973).	28 days	Aug. 1-28, 1973
2B. Concurrent public information program; general distribution of report, July, 1973; results of governing body study, Aug., 1973; public meetings to review report, Sept., 1973.	90 days	July 2 - Sept 29, 1973
3. Circulation of petitions-if necessary by law; (petitions to be available at public information meetings).	45 days	Sept. 1 - Oct 14, 1973
4. Adoption of Consolidation Resolution; joint special meeting of governing bodies.	_____	Oct. 15, 1973

<u>ITEM</u>	<u>LENGTH OF TIME</u>	<u>DATE</u>
5. Notice of County Clerk	_____	By Oct. 19, 1973
6. Appointment of Consolidation Committee by governing bodies.	Within 10 days of notice	By Oct. 29, 1973
7. First meeting of Committee	_____	Oct. 30, 1973
8. Development of plan by Committee.	90 days	Oct. 30 - Jan. 28, 1974
9A. Review of plan by "State Board".	30 days	Jan. 29 - Feb. 27, 1974
9B. Concurrent public information, plan of consolidation committee including at least two public meetings.	30 days	Jan. 29 - Feb. 27, 1974
10. Adoption of Plan	_____	Feb. 28, 1974
11. Continued, extensive public information following State Board Review and Adoption of Plan.	65 days	Feb. 28 - May 4, 1974
12. Referendum - (Special Election)	_____	May 7, 1974

It is recognized that the above schedule is very "tight" and dependent upon diligent efforts and cooperation by a number of people. Nevertheless, it can be followed and is intended to focus attention on consolidation during a concentrated period of time. In addition, the schedule does have a contingency of approximately 30 days to help accommodate any unforeseen delays since the official plan for consolidation need not be adopted until 30 days prior to a referendum.

To aid in reviewing the report and striving to follow the above schedule, it is recommended the New Jersey Department of Community Affairs be requested to provide specific staff assistance for work needed in arranging meeting, preparing public information, assisting the consolidation committee and otherwise helping to expedite required procedure.

## WILL CONSOLIDATION "HAPPEN"?

The preceding 85 pages of this report have set forth the result of an examination of the feasibility of a municipal consolidation of the Borough of Sussex and the Township of Wantage, which was almost one year in the making. The report was begun with no preconceived conclusions, particularly with regard to the total financial impact of consolidation upon the two municipalities. Findings were developed from facts obtained and led to a firm conclusion that consolidation was desirable and would be mutually beneficial for the people in both communities. However, one section of the report also pointed out the almost total failure of other consolidation efforts and recommendations in the past. The question now is: will the Sussex-Wantage consolidation recommendation follow the old pattern of failure or will it really "happen"?

In trying to answer this question, it is appropriate to note commentary published in The New Jersey Herald during the summer of 1972. In an article published on July 3, 1972, some insight into both the financial benefit and the historical background of the Sussex-Wantage consolidation idea was provided by Mr. Peter E. Scovern who stated:

"The 24 municipalities in Sussex County could save a mint and provide more and better services by scrapping a lot of boundary lines and merging into a dozen or less operating districts.

As an example, there is Sussex Borough with its nine-tenths of a square mile of territory sitting in the middle of Wantage Township from which it severed itself in 1901 after being part of the township since 1854.

Sussex and Wantage took their first step toward consolidation by regionalizing their school. Next in line is the municipal merger- but will it ever come? They're talking about it.

They've been talking about it a long time. About

20 years ago Jack Prout, then Wantage's Mayor, and members of the township committee appeared before a meeting of the Sussex Borough Council with hats in hand asking for consideration of a merger proposal.

Willis Wilson was Mayor of Sussex then, as he is now. He and the council members listened and said they would think about it. However, whatever thought was given to the proposal, nothing was reflected in action...."

It must be emphasized that the above report can in no way reflect any criticism on the people in either community. After all, this action, or lack of action, follows the vast experience of virtually all other towns in New Jersey. No doubt, there were reasons why merger did not occur, particularly in Sussex which was in a strong economic position twenty years ago. What is important is that if a merger had taken place back then, both municipalities would probably have saved some thousand of dollars over the years.

Now there is another opportunity and the question again is, "Will consolidation "happen"? The mayors and governing bodies of both communities are to be commended, for they started the process and positively supported the idea of having a full study prepared. That study has been completed. The initiative is now back to the elected officials in both Sussex and Wantage. Their response will have great influence upon the possible success of a consolidation. If this response is strong and favorable, Sussex and Wantage could move to the forefront and set an example of progressive action for all of New Jersey and provide benefits for the citizens in both communities in future years to come.

Finally, in the last analysis, the people will decide the question of consolidation; for if consolidation is to "happen" it must be approved by the individual referendum vote of the people

in both municipalities. And this is as it should be. It is hoped that this report will be helpful in evaluating this question and making this decision.

## APPENDIX A

### STATUTORY REQUIREMENTS FOR MUNICIPAL CONSOLIDATION

The Local Units Permissive Consolidation Act of 1939, as amended (NJSA 40:43-66.1 to 66.34), sets forth the requirements and procedures to effect a municipal consolidation. A summary of these procedures is presented below. For details, reference should be made directly to the statute.

#### METHOD OF INSTITUTING PROCEEDINGS:

Petition: Petition signed by at least 20 per cent of qualified voters of each municipality is presented to governing body. Petition may describe proposed name, type and form of government of municipality.

Resolution: Upon receipt of petition, governing body of each municipality must adopt consolidation resolution and file it with County Clerk.

Notice by County Clerk: Upon receipt of resolutions from each of the municipalities to be consolidated, County Clerk notifies the governing bodies to form a joint consolidation committee, and fixes the time for the first meeting of the committee which must be not less than 10 nor more than 30 days after the date of notice.

#### JOINT CONSOLIDATION COMMITTEE

Composition: Three residents from each municipality, appointed by governing body within 10 days after notice by the County Clerk. Not more than two representatives from each municipality may be members of the same party. None may be office-holders.

Expenses: Members serve without compensation. Necessary expenses are permitted. Expenses are borne in proportion that taxable property in each municipality bears to total taxable property for the proposed consolidated unit.

Organization: Committee selects own chairman and secretary. Majority is quorum.

Function: Committee formulates consolidation plan.

## CONSOLIDATION PLAN

### Contents: Plan sets forth:

1. Name, type, and form of government of proposed consolidated unit.
2. Whether municipal charter or any municipality shall become charter of proposed consolidated unit.
3. Details on adjustment of indebtedness.
4. Arrangements for transfer of property and assets.
5. Extent to which municipalities may authorize or issue bonds or incur contractual duties between the date of referendum and the date of consolidation.
6. Ward boundaries as a basis for membership on the governing body whenever such membership is to be by ward representation.
7. Effective date of consolidation.
8. One of the following methods of treating ordinances and rules and regulations:
  - a. Those of one municipality take effect.
  - b. Those of one municipality are effective for 90 days after consolidation, but not thereafter, unless reenacted.
  - c. Joint committee continues as codification committee to present new code of ordinances to the governing body within 90 days after consolidation. In the interim, the ordinances of the municipality having the largest population govern.

Approval by Joint Committee: Favorable vote by majority members from each municipality required.

Public Hearings: Joint Committee must conduct at least two hearings on plan.

Approval by Local Government Board: Plan is to be submitted to State Board within 90 days after the Joint Committee's organization, unless the time is extended by the State Board. State Board must approve the plan if it complies with the provisions of the Constitution and laws of New Jersey and its fiscal provisions are practicable. The Board may recommend changes, but such are not binding on the Joint Committee. Any plan adopted by the Joint Committee is the approved plan, regardless of the State Boards's action. However, the approval

or disapproval of the State Board is to be endorsed on the referendum ballot.

Referendum: Approved plan of Joint Committee is submitted for referendum vote at next general election not less than 30 days after adoption by the Committee. Plan becomes binding if majority in each municipality favor plan. If the plan is defeated, it cannot be resubmitted to vote for two years.

#### DATE OF CONSOLIDATION

Consolidation becomes effective as of date set in approved plan. If none is set, consolidation takes effect on first day of calendar year following the referendum, unless referendum is less than 30 days before the last day for filing nominating petitions for municipal offices, in which case consolidation takes effect on the first day of the calendar year next but one succeeding the referendum.

#### EFFECT OF CONSOLIDATION

1. Officers and employees of constituent municipalities terminate employment on consolidation date, except for school employees, library employees, policemen and firemen. Tenure of office and pension rights are not affected by consolidation. Newly-elected officers take office on the date of consolidation.
2. New municipality assumes assets, contractual obligations, debts as provided in the approved plan. Funds and property of constituent municipalities are transferred to new unit. State Local Government Board audits and settles officers' accounts.
3. School districts are consolidated, if not already accomplished.
4. Permits, licenses, and franchises remain in force until they expire.