

One community One government

The Joint Consolidation Study Commission
of the Township of Wantage and the Borough of Sussex

A summary of the commission's final report September 2009

Commission recommends consolidation of Sussex Borough and Wantage Township

Summary of recommendations

More than a year ago, elected officials in Sussex and Wantage appointed a commission to study whether the two communities should be consolidated under a single government structure.

After studying all aspects of the issue and holding 19 public meetings, the commission has recommended that

- 1 The Borough of Sussex and the Township of Wantage should be consolidated into a single Township, to be called the *Township of Sussex-Wantage*.
- 2 The newly consolidated municipality should be governed by the Council-Manager form of government under the Optional Municipal Charter Law. There should be
 - A separately elected Mayor
 - Six (6) members of Township Council elected at large
 - Partisan elections with staggered terms
- 3 The commission recommends that Civil Service should not be established in the newly consolidated community. This issue will be determined by the voters in the November ballot as a separate question.
If consolidation is approved by the voters of both municipalities, the commission also recommended that:
 - The election of new municipal officers would occur in November 2010
 - Installation of new government would occur January 1, 2011.
 - All terms of office would be four years. The mayor and three members of the council elected in 2010 would serve for

four years. The other three members of the council elected in 2010 would serve for two years. After the election of 2012, these three seats would also be for four years.

- All duplicated statutory offices in the existing municipalities would be abolished and replaced with similar offices in the consolidated municipality, as detailed in the "Report on Possible Benefits and Drawbacks to Consolidation: Staffing" that is included in the Commission's final report.
- Existing debt would become the responsibility of the consolidated municipality, because the relative existing debt burden in the two municipalities is nearly identical.
- If the vote for consolidation passes, any new indebtedness must be approved by both individual municipalities from the time of the referendum until the election the following November. Between the November 2010 election and the installation of the new government, no indebtedness could be incurred except for emergency situations. All new school-related indebtedness would need the approval of both municipalities during the period from the positive referendum to the installation of the newly elected officials.

Wantage and Sussex residents are invited to a public forum to discuss the report of the Study Commission
7 PM Monday, October 19, 2009
High Point High School Auditorium
299 Pigeon Hill Road, Wantage
This will be your opportunity to hear a brief presentation concerning the report, to ask questions, and to offer your comments.

- All real and personal property of the existing municipalities would be transferred to the consolidated municipality.
- The present Sussex-Wantage Regional School District would be changed to a unified Type II school district with members elected at large in accordance with statutory provisions.
- The present number of representatives from Sussex and Wantage on the High Point Regional School District would be combined and elected at-large from the newly consolidated municipality.
- All current ordinances that are found to be common in both former municipalities would be combined into one ordinance that would serve the purposes of the newly combined municipality. All existing ordinances that serve unique issues of either of the two former municipalities would be preserved in the newly consolidated municipality.
- The NJDEP should grant a waiver in the wastewater plan to allow for develop-

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Summary of formal recommendations, *continued*

ment of land within Sussex and along the south portion of Route 23 corridor in Wantage, as was originally approved by the County of Sussex.

- A detailed examination and harmonization of the master plans of both municipalities should be effected by the new governing body.
- Special services provided in each community should be continued for three years following consolidation. At the end of the three-year period, the new governing body should then determine whether to continue these services.
- Regarding fire service and emergency medical services, areas of service and funding agreements should be continued as was previously done and previously approved by the New Jersey Local Finance Board.

Financial issues

As part of the commission's study, there were several financial analyses performed.

The NJ Department of Community Affairs (DCA) analyzed the impact of consolidation on taxes **without taking into account the economies or savings resulting from consolidation.**

The commission, working with its consultants, **forecast that the consolidation would produce savings.**

Without any savings

The DCA study found that, without any savings from consolidation, the average residential tax in Sussex would decrease by \$402 after consolidation. The average residential tax in Wantage would increase by \$67.

This is because the average property in Sussex has a lower market value than the average property in Wantage and the consolidation would realign taxes proportionately.

With forecast savings

As part of its study, the commission identified potential savings resulting from consolidation. These savings are due to three factors: ① elimination of duplicate

state-mandated positions, ② certain other workforce consolidations due to efficiencies from consolidation, and ③ changes in benefit costs. The total estimated value of those savings is about \$585,000.

Applying the projected savings using the DCA analysis results in potential tax savings for residential-property owners in both municipalities: \$483 in Sussex and \$57 in Wantage.

NJ "hold harmless" provision

Although the commission believes the projected savings are realistic and achievable, taxpayers are protected in either case.

Under NJ law, the state will give a tax credit to each residential taxpayer whose bill increases purely as a result of consolidation. Therefore, under the DCA formula, the average Wantage taxpayer would receive an annual \$67 credit as long as the taxpayer owns the property.

DCA has also offered a one-time grant of up to \$500,000 if the consolidated town's new council adopts a first-year budget that does not increase taxes for Wantage taxpayers. The grant may be used for one-time expenses or for payment of debt.

Schools & school taxes

The study found that consolidation will not impact the operations of the Sussex-Wantage Regional School District or the High Point Regional High School District.

Taxes for the two school districts are already apportioned in the same way that they would be in the consolidated township. Any differences in taxes are projected by DCA to be negligible, and are included in the DCA analysis.

Debt

The relative debt in the two communities is comparable, according to the DCA financial report. Therefore, consolidation of the debt will have little effect on taxes if the towns consolidate. All residents will benefit from the improvements for which debt was issued.

Consolidated, coordinated planning of public improvements might also reduce future debt needs.

Finally, sale of surplus municipal property would also offer the opportunity to use the proceeds to reduce the debt.

Utilities

The Sussex sewer and water utilities are self-liquidating operations, meaning that user fees and other revenues pay for operating, maintenance, and improvement costs.

Tax revenues would not be needed in connection with utility operations.

Analysis of the utilities shows that there are conditions and issues that need to be dealt with. Infiltration and inflow of storm water and groundwater into the wastewater system have been issues with broad effects.

Overall, however, the utilities would be a greater potential asset to a consolidated community. They promise to provide an economic-development and land-planning tool for a consolidated municipality that would not be available either to Sussex or to Wantage as individual municipalities.

Sussex is physically too small to provide the development opportunities offered by the utilities. Wantage would have no right to the excess capacity, and Sussex could sell this valuable resource to any nearby community.

Current and planned work will likely create excess capacity in both the sewer and water system. A consolidated municipality could plan the systems' expansion in a way that would benefit the entire Sussex-Wantage community.

Public safety services

The commission studied various aspects of public safety services in Sussex and Wantage.

Police

The study found various options available to Sussex and Wantage as freestanding municipalities as well as to a consolidated municipality. However, the commission decided that any decision concerning changing current police services should be left to elected officials.

One key finding is that there is no requirement for a municipality, regardless of population, to create its own police department. It is entirely a local option.

...One government

The commission found that, alone or consolidated, the local towns could provide police services in any of several ways:

- Continued use of the state police.
- A local department providing minimal or part-time services.
- Contracting with an existing local department for minimal or part-time services.
- Contracting with an existing local department for full services.
- Creating a full-service, full-time local department.

With respect to the need for police services, the commission's study looked at 42 comparable communities. It found that the two communities' combined crime rates are lower than the average of the 42 other communities in the comparability analysis

Fire & emergency medical services

The commission recommended that there be no changes in the current system of volunteer fire and emergency medical services. Furthermore, the commission received approval from the state for continuing existing funding levels, despite the fact that those existing levels would exceed state limits for a consolidated municipality.

COAH obligations

According to the NJ Council on Affordable Housing (COAH), the current obligations of each municipality would be added together to form the obligation of the newly consolidated municipality.

Minority report

One member of the commission voted against recommending consolidation. Wantage member Arthur Jacobs provided the following minority report, which is included here in its entirety.

I voted NO because, except for a small handful of people in Wantage, this consolidation is 100% for the benefit of Sussex Borough residents. I can't blame Sussex Borough residents for wanting to consolidate as they will receive many, many thousands of dollars in TAX decreases over the years.

1. Wantage will see TAX INCREASES.

2. The state says it will help to subsidize the increase, the state can't even find money to send the homestead rebate, where will it get the money to subsidize the TAX INCREASE? Now the state says it will not subsidize the increase unless it was a large increase the very first year. DO YOU TRUST THE STATE AND IT'S REPRESENTATIVES? I DON'T.

3. The public utilities are in poor condition and need immediate upgrading and repair as per the commission study report. Millions of dollars will be needed. The user fees will not cover the massive bond that will be necessary. Who pays for it? Another TAX INCREASE.

4. Wantage Township has one of the lowest crime rates in the State. Sussex Borough has an undesirable high crime rate. If we consolidate, combined, our crime rate will be high. A reason for the state to push us to have our own police department. There is not one town in the state of N.J. with a population of 15,000 or more that does not have it's own police department. Therefore we will have to establish a police department at a cost of \$4,000,000 to \$8,000,000. Another TAX INCREASE.

5. There will be personnel layoffs in both towns and a dismantling of the civil service in Wantage. We've seen what happened to the staff in Wantage who were not covered by civil service. WHY WOULD A TAXPAYER IN WANTAGE WANT TO CONSOLIDATE?

6. Even if there is a chance of a few new ratables the COAH responsibility would outweigh the benefit. We would have to have more low income housing and the probability of a new school. More TAX INCREASE.

7. Why would we want to be called SUSSEX-WANTAGE TOWNSHIP? Sussex Borough is the one that pulled out of being part of Wantage over 100 years ago. It was in their favor then, as it is now. I say NO to the consolidation and the name Sussex-Wantage Township.

8. Last but not least I still feel that the commissioners from Wantage on the Consolidation Study Commission that voted in favor of the consolidation have betrayed the Wantage Taxpayers. I feel that they are now stepping outside of the parameter for which the study was organized.

Changes

Consolidation would bring changes to governance of the Sussex-Wantage community, but some things would not change.

Things that would change

- There would be a single government with a professional manager in charge of day-to-day operations.
- Eighteen current positions required by state law would be reduced to 11. Elected positions would be reduced from 10 to 7.
- Future planning, zoning, economic-development and land-use decisions would be made on a coordinated basis, for the benefit of the entire community.
- Duplicated public facilities could be sold, with the proceeds benefiting all taxpayers.

Things that would not change

- Post office address or ZIP code
- Individual services such as refuse collection, water & sewer services, and street maintenance.
- The appearance or feel of the individual neighborhoods of the new municipality.

Members of the commission

- Appointed by elected officials in each town
- Met 19 times over 13 months

From Sussex:
Salvatore Lagattuta
vice chair
Pamela Flynn
Alonzo Little
Charles McKay
Edward Meyer

From Wantage:
Earl Snook
chair
Wayne Dunn
Sharon Hosking
Arthur Jacobs
E. Gregory Kresge

Text of questions appearing on the Nov 3 ballot

In addition to voting for state, county, and local officials and on any statewide or county referendum questions, voters in Sussex and Wantage will have the opportunity to vote on two local questions.

First question: CONSOLIDATION

The first question concerns consolidation of the two municipalities. It will read:

Shall the Borough of Sussex and the Township of Wantage be consolidated into a single municipality to be known as the Township of Sussex-Wantage and governed under the Council-Manager Plan of the Optional Municipal Charter Law, with a separately elected Mayor and six (6) members of the Township Council to be elected at large with partisan elections and staggered terms of office?

Voters will have the opportunity to vote

- For Consolidation Against Consolidation

An interpretive statement will also appear on the ballot. It reads:

A vote FOR CONSOLIDATION will join the Borough of Sussex and the Township of Wantage as one municipality. Sussex-Wantage will be governed by one Mayor and six Township Council members. Partisan elections will occur every two years. This new governing body will select and supervise a professional municipal manager to oversee and supervise the day-to-day operations of the municipality. All financial, physical and other assets and liabilities of both current municipalities will be as-

sumed by the newly consolidated municipality. The newly consolidated municipality will be responsible for providing all municipal services to the residents of Sussex and Wantage. A vote AGAINST CONSOLIDATION will retain the current separate municipalities of Sussex Borough and Wantage Township.

Second question: CIVIL SERVICE

The second question will determine whether the state Civil Service Commission will govern personnel decisions if the towns consolidate.

Shall the consolidated municipality be subject to the Provisions of Title 11A, Civil Service?

Voters will have the opportunity to vote

- Yes No

The interpretive statement will read:

A YES vote on this question will place the newly consolidated municipality under the jurisdiction of the State of New Jersey Civil Service Commission, formerly known as the New Jersey Department of Personnel. Many personnel decisions will be directed by Civil Service regulations. A NO vote on this question will place personnel decisions such as hiring, promotion, discipline and discharge in the hands of the local government. Under either alternative, employees retain the right to bargain collectively for wages and terms and conditions of employment.

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The Joint Consolidation Study Commission
of the Township of Wantage and the Borough of Sussex

The work of the joint commission, including this pamphlet, was funded in full by grants from the State of New Jersey through its Department of Community Affairs.

This pamphlet is designed to inform voters about the work of the Joint Consolidation Study Commission and the issues it studied.

The commission's full 200-page report is available at the Sussex and Wantage municipal buildings, the Sussex County Library, and on the Wantage Township website, wantagewp.com

Sussex-Wantage Joint Consolidation Study Commission
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