

September 26, 2008, LUARC Commission Meeting

Flag Salute.

Roll Call was Read.

LUARC Commission members present: John H. Fisher, III, Chair; Joseph V. Doria, Jr.; Marvin Reed; Robert F. Casey; Gary Passanante; Elizabeth Cervenak (for State Treasurer David Rousseau) Jane Kenny (arrived 15 minutes after meeting began).

Absent: Steven M. Cozza; Minutes of the August 28, 2008, meeting were approved. Mr. Casey abstained as he was not at that meeting.

Hannah Shostack, Executive Director:

Two proposals for performing the research agenda were received: from Rutgers-Newark and the City University of New York. Recommended awarding the contract to Rutgers-Newark. Commissioner Doria moved for approval. Vote to award research contract to Rutgers-Newark was passed unanimously.

John H. Fisher, III: Suggested using subcommittees.

Robert F. Casey: Service provision may differ around the State.

Marvin Reed: Skeptical we will find an optimum size of municipality, but we can develop standards for optimum service levels.

Mr. Fisher: moved approval of LUARC Commission budget. Passed unanimously. Moved that the Commission delegate contract authority for sums under \$29,000 to Hannah Shostack. Passed unanimously.

Reagan Burkholter, Summit Collaborative Advisors, LLC: Discussed inter-municipal benchmarking. SCA has had a performance measurement study going on since 2004. It includes 14 municipalities at present. It is focused on direct service departments, and also looked at financial functions and municipal courts. The municipalities range in population from 7,500 to 50,000; one square mile to 40 square miles in area; and population density clusters in the 20,000 to 30,000 range. Cost per capita rises with population growth. Three issues: What is the average norm? What is optimal? What causes variations? When do rural municipalities create police departments? In municipalities smaller than 15,000 there is no correlation between population size and having a police department. There is no relationship between crime levels and having a police department. Municipalities craft their budgets differently, even though they use "standardized" State budget forms. This makes comparisons difficult. Gave example of road maintenance in two municipalities. Municipality A provides extensive services (nine functions) and spent \$12,000/mile for road maintenance. Municipality B provides less extensive services (five functions) and spent \$14,000/mile for road maintenance. Differing budgeting methods and service provision methods make comparisons difficult. Three service delivery variables to look at: service level, frequency, efficiency. Issues to look at:

how to measure “efficiency” in dollars; in-house delivery versus outside contractors; differences in regional salary levels and cost levels. Conclusions: That there is a need for municipal consolidation and realignment. That there is little support for the “larger is better” argument. A number of functions are municipal for no known, justifiable reason: tax collection, tax assessment, municipal courts, public health, Uniform Construction Code enforcement. The literature on police services calls for a flat span of control. In New Jersey, 31 to 35 percent of police forces are supervisory.

General Discussion:

LUARC Commission members have a draft of brochure. There will be an article on LUARCC in the November, 2008 League of Municipalities magazine.

Public Comment:

Gina Marie Santora, New Jersey Shared Services Association: Had a question on shared services money in the LUARCC budget. There is no shared services money in the LUARCC budget. New Jersey Chiefs of Police Association has come out against shared services.

Dennis Smeltzer of the Division of Local Government Services provided maps of municipal relationships.

Adjournment unanimously approved.