

## July 23, 2009 LUARCC Meeting Notes

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The LUARC Commission met at 9:30 AM on Wednesday, July 23, 2009. Members present were: John H. Fisher, III, Chair; Marvin Reed; Robert F. Casey; Gary Passanante; Steven M. Cozza. Absent were: Commissioner Joseph V. Doria, Jr. and Joseph Donahue.

The minutes of the June 25, 2009, meeting were unanimously approved.

Executive Director's Report: Dennis Smeltzer:

White papers on public health, emergency dispatching, and the administration of the municipal courts are being developed by Commission Intern Mathew Eisenman. Progress on this effort will be reported at the August Commission meeting.

The Regional Subcommittees have not met yet but will be utilized during the review process. They will meet when we begin looking at the municipalities that are chosen to be studied.

S-2356 was passed and is awaiting the Governor's signature. This legislation creates a pilot program to establish a county-wide assessor in Gloucester County. The bill requires LUARCC to evaluate the program at the end of six years. In order to accommodate that requirement the Commission will need to identify and collect relevant base year data during the first year.

Among other projects being developed by the Commission is an online resource expected to provide guidance to local officials, citizens and business people with questions on consolidation and shared services. Initially this page will contain links to existing materials. Additional original material will be added to site, as it is available.

Commission member indicated that there is a position from AOC that will change municipal courts and that it is important for the Commission to review it before making recommendations.

Process Subcommittee Report: Gary Passanante: the subcommittee met twice: Gary Passanante, Joseph Donahue, Robert F. Casey. Subcommittee is developing a process to guide the first round of studies of municipal clusters. The process will include further screening of the 35 identified municipal clusters. The Commission would like to get to a much narrower focus; six or so clusters. Those groupings will include representation from urban/suburban and north/central/south.

The subcommittee met with the Walter Rand Institute. The institute is developing a proposal to assist the Commission in designing and implementing a program to screen and evaluate municipal clusters. The subcommittee discussed with the institute elements and concerns relevant to this effort. The program should examine "real world" issues: politics, the public, etc. Should include subject experts with field experience to examine four areas: public safety, administration, public works, and finance. The first round of studies should include municipalities in a variety of situations, to better inform future studies. LUARCC must reassure the selected

clusters that they are not targets for merger – only being studied. LUARCC should also identify the municipalities that are giving good service delivery. The timeline should produce some level of results by the end of 2009. The Subcommittee expects to present a plan of action in August and to be ready to begin studies of identified municipal clusters by mid November.

Commissioner Casey reviewed all the involved municipalities. Reviewed their budgets over three years: 2006 to 2008. Will do a report on the tax information and issues. Within two to three weeks all subcommittees will have met, and identified the clusters to be studied. May have to have a couple more subcommittee meetings. Timeframe must be aggressive.

Commission discussed that the Walter Rand Institute is less “academic” and more practical. It has more of an appreciation for realities on the ground. It developed something similar in Camden and their recommendations seemed to be on point.

Walter Rand Institute will aid in identifying the four experts and the six clusters with the assistance of the LUARCC. The Commission recommended a poll of experts to pull from in order to have experts in closer proximity to the areas that will need to be studied. Rand and the experts are facilitators. LUARCC must create a believable process and information in order to gain public trust. Local officials should also be involved from the beginning in order to keep everything transparent.

If the proposal from the Walter Rand Institute is acceptable to the Subcommittee the full Commission will need to vote to enter into a contract by mid August to accommodate the timeline currently proposed.

Commissioner of Education, Lucille Davy, gave testimony. Commissioner Davy indicated that recent legislation, directed the Department of Education (DOE) to eliminate nonoperating school districts. Before July 1 of this year there were 26 districts that had no schools. As of July 1, 2009, 13 of these nonoperating school districts were consolidated with school districts to which they had previously sent students on a tuition basis. The 13 nonoperating districts that remain send students to more than one school district, which complicates the consolidation issue. By next Spring the DOE must have recommendations to consolidate the remaining nonoperating school districts.

In discussing the consolidation of other school districts, Commissioner Davy said the long-term goal is to eliminate all non K-12 school districts. She said they are operating with targets base on an optimum size for a school district: of 3,800 to 6,500 students. For the last six to eight months the DOE has been gearing up for feasibility studies. These studies will be starting in four to six weeks and will be considering multiple options.

Commission member asked how the debt service issue is being dealt with?

Commissioner Davy indicated that the host district bears debt burden. What is “fair” is debatable.

LUARCC and the DOE need to coordinate targets for consolidation or it will be voted down. The costs of consolidation on education side may negate advantages of municipal consolidation.

Commissioner Davy indicated that they need to identify the “easy” mergers vs. the “difficult” mergers. LUARCC agreed that they need to do the same.

It was determined that both have the same philosophy.

Adjournment.