

Joint Consolidation/ Shared Services Study Commission of Princeton Borough and Princeton Township

July 20, 2011

Joint Consolidation/ Shared Services Study Commission of Princeton Borough and Princeton Township

Minutes of the Regular Meeting

Wednesday, July 20, 2011 7 pm

Committee Room, Township Hall, Princeton, NJ

1. CALL TO ORDER

The meeting was called to order at 7:10 pm, with Ms. Shabnam Salih reading the Open Public Meetings Act Statement:

The following is an accurate statement concerning the providing of notice of this meeting and said statement shall be entered in the minutes of this meeting.

Notice of this meeting as required by sections 4a, 3d, 13 and 14 of the Open Public Meetings Act has been provided to the public in the form of the written notice attached hereto.

On June 22, 2011 at 2:00 p.m., said notice was posted in the official bulletin board, transmitted to the Princeton Packet, the Trenton Times, the Town Topics, filed with the Township Clerk and posted on the Princeton Borough and Princeton Township websites.

2. ROLL CALL

Present: Golden, Haynes, Metro, Miller, Goerner, Lilienthal, Lahnston, Simon, Small, Goldfarb,

Absent: Trotman

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Also Present: McCarthy, Jim Pascale

3. REVIEW AND APPROVE MINUTES FROM JUNE 8 AND JUNE 22

Motion to approve minutes from June 8th.

Lilienthal makes motion.

Miller seconds.

All vote in favor. Motion is approved.

Motion is made to approve minutes from June 22nd.

Simon makes motion.

Golden seconds.

All vote in favor. Motion is approved.

4. BUDGET UPDATE

Chairman Lahnston explains that the contract with CGR was complete as of the June 22nd meeting and he is in conversation with Stefko about adding to the contract. The summary of his conversation with Stefko is about additional dates and meetings Stefko could be involved in, including the joint meeting with Princeton Future and the League of Women Voters meeting.

Simon asks if there will be another public commission meeting.

Lahnston responds that there are none presently scheduled before the vote in November.

Goldfarb explains that because the League strongly identifies on the issue of consolidation that it is not an appropriate venue for an informational meeting.

Lahnston explains that he has asked the League and Princeton Future not to take an official position on the issue before the meeting takes place on October 1, 2011.

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Haynes adds that as an organization the League has not taken a specific stance on the issue of consolidation in Princeton..

Miller suggests adding an additional meeting to the meeting at the Library with Princeton Future and the League of Women Voters.

Lahnston suggests putting a placeholder on an October date for a possible public meeting. The Commission will decide at the next meeting on August 17 whether October 26th may work as a public meeting.

5. DISCUSSION OF PERSONAL SERVICES CONTRACT WITH CGR

Lahnston asks for a motion to approve a professional services agreement for \$4500.

Lilienthal asks if that amount would cover CGR involvement with a potential meeting on October 26th to which the Chairman responds no.

Mayor Goerner makes a motion to request \$6000 for a professional services contract with CGR.

Golden seconds this motion.

All vote in favor. Motion is approved.

6. FINAL REPORTS/ RECOMMENDATIONS

Lahnston explains that the summary report packet has been passed out for the Commission to review the documents and provide feedback.

Item “K” on page 10 is requested by the DCA and needs to be added to the recommendations and the revision needs to be sent to the Township and Borough Committees.

Lilienthal makes a motion to add Item K.

Golden seconds the motion.

All vote in favor. Motion is approved.

- a. SUMMARY REPORT TO RESIDENTS – AGREE ON DOCUMENTS AND DETERMINE DISTRIBUTION PROCESS**

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Goldfarb disagrees with language in paragraph two of the letter for the public. He does not favor the use of the language, which states “ favorable consideration of the recommendations”.

Lahnston explains different options regarding whether he alone as Chairman of the Commission or all members of the Commission should and will sign the letter.

Mayor Goerner explains that the Commission voted 9 to 1 on consolidation and even if Goldfarb disagrees on the issue he should be able to support the recommendations of the Commission.

Simon suggests the use of either the word careful or thoughtful in place of “favorable.”.

Simon makes a motion to use the word thoughtful in the letter.

Lilienthal seconds the motion.

Small suggests adding a table of contents for the report going out to the public.

Re: motion to approve edited language.

All vote in favor, except Mayor Goerner.

Motion is approved.

b. FILING REQUIREMENTS BY DCA AND TARGET DATES (SEE APPENDIX A)

Lahnston explains that the Secretary of State, the County Clerk and DCA all need a copy of the full report.

Miller suggests also sending copies to the school board and the superintendent.

7. PUBLIC COMMENTS

None.

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8. PREPARATION (AS NEEDED) FOR JOINT TOWNSHIP -- BOROUGH MEETING ON JULY 25

Mayor Goerner, Miller and Goldfarb will provide an update of the full report at the meeting.

Members discuss the presentation for the meeting.

Mayor Goerner explains that the question is whether the question should be on the ballot in November. He adds that there needs to be a joint resolution on forming the question.

Lahnston explains that there should be a brief summary of how we got to this point and a sample ballot question.

Goldfarb adds that it is important to make clear that the purpose of the meeting is to decide whether the consolidation question should go on the ballot in November.

Mayor Goerner and Goldfarb reiterate that the meeting will not be a time to discuss consolidation but rather whether the issue should go on the ballot in November.

McCarthy adds that he will send a copy of the Sussex-Wantage resolution for example.

Simon asks if the wording for the ballot question will be finalized by Monday to which Mayor Goerner responds yes.

9. IMPACT OF CONSOLIDATION ON SCHOOLBOARD ELECTION AND APPORTIONMENT OF SCHOOL TAX LEVY

Discussed earlier (see item K in the Recommendations).

10. UPDATE FROM DCA ON REQUEST FOR TRANSITION COST SUPPORT

McCarthy explains that in the 2012 State budget there is language that permits the payment of transition costs. The amount is subject to the discretion of the Director.

Mayor Goerner explains under the present position of the State the Commission will not know the amount to be approved for transition costs until the municipalities have voted to approve consolidation in November.

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McCarthy responds that that is true but that the Director of Budget and Accounting has some flexibility. He adds that DCA wants to stand for consolidation.

Mayor Goerner asks if it would help for the Mayors to reach out to the DCA Director. Small asks if our local legislative voices would help also.

McCarthy responds he will talk to his superior, Pfeiffer about best approaches.

Goldfarb explains that opponents of consolidation will have a big problem with the fact that transition funding is not guaranteed or determined until after a vote of approval on consolidation.

Lilienthal states that the responsible thing to do would be to assume there will be no money for transition costs and to plan accordingly.

Simon explains that the letter to the DCA is incomplete because it does not include costs associated with severance or early retirement incentives.

Goldfarb asks if they can offer severance or early retirement incentives without the approval of DCA.

McCarthy responds that is has to be approved by Pension and DCA and will be a part of the transition plan since the extent of early retirement is unknown.

Lilienthal states the credibility of the Commission is on the line and they must plan for transition costs.

Mayor Goerner explains that transition costs are one-time costs and that the Commission voted on consolidation without knowing whether this funding would come in from the State.

Simon explains that if the transition funding is not covered by the state then the \$1.7 million in costs will be more than the estimated savings in year one, which may make a municipal property tax increase necessary, and which may cost the state more in the long run. Under current law, the state is supposed to reimburse current property owners annually for any increase in property taxes in the first year after consolidation.

Lahnston explains that he believes that a lack of response from DCA at this time does not indicate an unfavorable point of view on transition funding. However, the commission should come up with a plan in case it does not happen. He adds that the Finance subcommittee needs to meet to create an initial plan.

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Mayor Goerner will set a meeting for the Finance subcommittee to plan for how to handle transition costs if the state does not approve the Commission's request for funding.

Simon adds that at a previous Commission meeting Marvin Reed made the point that transition costs may not all be incurred in the first year. Some transition costs may be deferred.

Metro asks if there will be any guidance in how the transition funding comes in.

McCarthy explains the Sussex Wantage example of transition funding.

The state offered the Borough of Sussex and the Township of Wantage implementation assistance of up to \$250,000 and a separate \$500,000 payment if the first year budget of the consolidated community provides a municipal property tax levy that does not require the need for ongoing state property tax credits to residential taxpayers. The communities were required to meet the "Conditions of Award of Assistance."

The state offered the Borough of Sussex and the Township of Wantage implementation assistance of up to \$250,000 and a separate \$500,000 payment if the first year budget of the consolidated community provides a municipal property tax levy that does not require the need for ongoing state property tax credits to residential taxpayers. The communities were required to meet the "Conditions of Award of Assistance" in order to receive the additional \$500,000.

11. DISCUSSION OF PLANNING FOR AUGUST, SEPTEMBER AND OCTOBER

The Aug 17th meeting will focus on transition funding costs and planning for potential public forums in the Fall, including the October public meeting.

Goldfarb adds that the campaign against consolidation will be beginning in the fall.

Miller adds that the following people/ places should be emailed the link to the summary report:

Brian Donahue at the Star Ledger
NJ News
NJ 30
LUARC

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12. OTHER BUSINESS

Haynes reports that she and Small attended the June LUARC meeting. The members of LUARC asked what could be done to assist with the consolidation effort in Princeton and they emphasized the importance of transition funding coming from the State to assist with implementation. .. They also discussed the statutory issues that limited the Commission's options with respect to garbage and service districts.

13. ADJOURNMENT

Motion is made to adjourn by Golden.

Small seconds the motion.

All vote in favor. Motion is approved.

Meeting is adjourned 8:45 p.m.

Respectfully Submitted,

Shabnam Salih, Study Commission Secretary

Approved: Aug. 17, 2011