



Strong School District— Municipal Relationships Save Money in Woodbridge

By John E. McCormac
Mayor, Woodbridge Township

For far too long in New Jersey, the only thing shared between municipal governing bodies and local Boards of Education has been mistrust.

School board officials often resent that town leaders can make cuts to voter-rejected school budgets and question why municipalities can enter into “payment in lieu of tax” (PILOT) agreements with property owners that provide no revenue to the schools.

Meanwhile, municipal officials are tired of taking the blame for 100 percent of the tax bill, when school taxes typically comprise two-thirds of the tab. Mayors and councils often point angry residents to the Board of Education, while hoping voters recognize the difference on Election Day.

IF WE ARE ALL PART OF THE SAME TEAM,
CONTINUALLY LOOKING FOR WAYS
TO HELP EACH OTHER SAVE MONEY,
THEN EVERYONE WINS.

In this era of tight spending caps and a statewide push toward shared services and consolidation—in which the state’s average property tax bill of \$7,281 is the highest in the nation—Woodbridge is now reaping the benefits of



Woodbridge High School was able to build a new turf field thanks to the 25 percent of of the monies received from PILOTs that Woodbridge Officials voluntarily earmark to fund school infrastructure improvements and other projects outside of the school district budget. These funds have also made it possible for the school district to afford a new track at Colonia High School, new tennis courts at John F. Kennedy High School in Iselin and more than \$1 million in computers for the entire district.

a strong and ongoing relationship between the municipality and the school district.

Gone are the days of finger-pointing when municipal leaders would not publicly support smart bond referenda for school building improvements or would go to great lengths to blame the school district for wasteful and irresponsible spending.

Today, town and school leaders in Woodbridge work out differences through constructive dialogue. We all agree that one indicator of the quality of a community, is the quality of the public schools.

I meet with Woodbridge Schools Superintendent Dr. John A. Crowe once every three months. We are joined by department heads from town hall and the school district to share information and discuss opportunities to streamline services and programs.

The superintendent and I frequently attend community events, PTO meetings, the township's seven senior clubs and various school functions at all of the 24 district schools. As a result, we have frequent candid discussions on ways we can solve issues in our township by working together.

Not only is this an example of good government, this relationship has set in motion a series of shared services that save Woodbridge taxpayers millions of dollars a year.

I am especially proud of the fact that the municipality recently took over custodial services in our schools. In 2010, the Board of Education spent \$6.8 million for 98 janitors and supervisors. The Board could no longer afford to carry the weight of that contract in its annual budget.

Custodians The district decided to terminate in-house custodial positions, hoping to reap savings by contracting with an outside, private service industry. The municipality—which operates its own custodial department—saw this as a window of opportunity.

We offered to provide this service to the district for \$4.7 million annually; the Board of Education accepted. The town rehired many of the district custodians that were laid-off by the Board of Education.


In this process, the township reduced salaries which led to a huge overall savings. Additionally, nearly 40 positions were eliminated through attrition or

retirement. The bottom line - every custodian who was a township resident was offered the opportunity to return to their employment at the schools.

In addition, we reduced the number of custodian supervisors from 24 to five, further reducing the salary level without reducing the quality of service. Today, we have 60 custodians doing the work that 98 had done under the previous contract—a \$2.1 million annual savings for Woodbridge taxpayers.

Waste and Recycling Our municipality continues to identify new ways to realize savings through proactive relationships with the school district.

The municipality maintains the school district's computer systems, Internet and web systems, and provides IT training for employees. The township—with its own sanitation department—picks up trash at each of the district schools and has implemented an aggressive and profitable recycling program throughout the entire school district.



A No Cost Alternative for Your Municipality

Helping Fire Departments Offset Operating Costs

Fire Department Cost Recovery, LLC (FDCR)

FDCR is a New Jersey based service provider dedicated to assisting fire departments in recovering insurance proceeds when they are called to save or protect property.

FDCR provides its services at no cost to your municipality and can potentially lower the fire department's tax burden. Sound too good to be true? It's not, there is a significant amount of work that goes into these types of collections but FDCR administers all collections on a contingent fee basis.

FDCR has developed a strategic business relationship with New Jersey based **Emergency Software Products (ESP)** to automate the transfer of your fire department's NFIRS reports, making collections fast and efficient. Whether you use another software provider or are considering ESP, FDCR can assist your municipality in recovering available funds. Unlike most billing companies FDCR does not bill the liable party. Contact your municipal council to determine if your municipality has the ordinance necessary to authorize such collections.

Visit FDCR at www.fdcostrecovery.com or call 732-933-9980 for more information.

"Every fire call has its cost; we'll help you recover it."

By increasing the amount of recycling, we have significantly reduced the amount of trash that must be trucked to the county landfill, saving tens of thousands of dollars in disposal costs.

Yard Maintenance The municipal Public Works Department also handles all the paving and infrastructure maintenance at the district's 24 schools and provides all outside property upkeep and maintenance, including yard work, tree trimming and planting flowers and shrub-

bery. Our goal is to continue to improve the outside appearance of the schools, which in turn will contribute to stable property values in our neighborhoods.

Additional Shared Services Superintendent Crowe and I have implemented numerous shared service agreements and contracts that reduce expenses, such as the shared purchase of office supplies, vehicle maintenance, and other commodities. Taxpayers reap the benefits of these bulk buying plans.

The school district has full-time plumbers and electricians who also service municipal buildings, while the township employs landscapers who now maintain the athletic fields at the district schools. In the warmer months, township Parks and Streets workers clean-up and maintain the areas around the schools. In the winter months, when there is a lull in exterior and outdoor responsibilities, the municipal employees paint and repair the interiors of the school buildings.

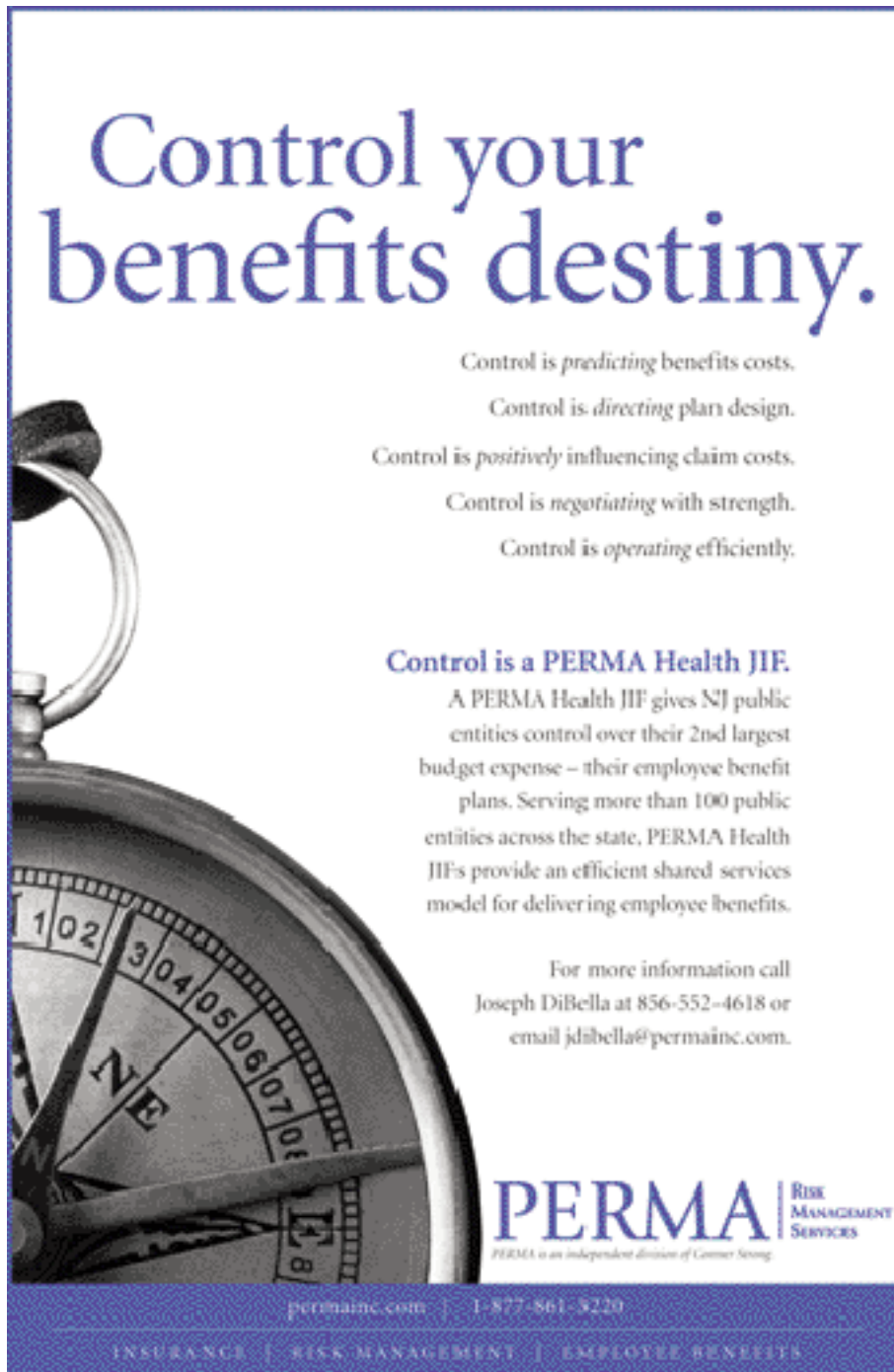
This strong relationship demonstrates to our residents that the municipality and school district are looking out for each other and for the community at-large. The effect has been far-reaching, as voters have approved four of the last six school budgets in a town where the proposed school spending plan had been rejected for years on end.

Political Cooperation In addition, township voters passed a \$32.5 million bond issue in December for solar panels at the 24 schools, which will effectively cut energy costs by \$1.3 million throughout the district. The township supported the solar panel initiative, and I authored a letter to the editor that outlined the positive financial return for township taxpayers that results from the long-term solar panel project.

In the case of PILOT agreements, municipalities are under no obligation to give the schools any of the revenue. However, in Woodbridge, we earmark 25 percent of the monies received from PILOTs to fund school infrastructure improvements and other projects outside of the school district budget. These projects would never be accomplished otherwise and provide huge benefit to the entire community. It's simply the right thing to do.

Sharing funds received from PILOT agreements has made it possible for the school district to afford a turf field at Woodbridge High School, a new track at Colonia High School, new tennis courts at John F. Kennedy High School in Iselin and more than \$1 million in computers for the entire district.

It is evident that a strong relationship between a municipality and a local school district has enormous benefits. In the end, we all work for the taxpayers. If we are all part of the same team, continually looking for ways to help each other save money, then everyone wins. ▲



Control your benefits destiny.

Control is *predicting* benefits costs.
Control is *directing* plan design.
Control is *positively* influencing claim costs.
Control is *negotiating* with strength.
Control is *operating* efficiently.

Control is a PERMA Health JIF.
A PERMA Health JIF gives NJ public entities control over their 2nd largest budget expense – their employee benefit plans. Serving more than 100 public entities across the state, PERMA Health JIFs provide an efficient shared services model for delivering employee benefits.

For more information call Joseph DiBella at 856-552-4618 or email jdibella@permainc.com.

PERMA | RISK MANAGEMENT SERVICES
PERMA is an independent division of Corner Strong

permainc.com | 1-877-861-8220

INSURANCE | RISK MANAGEMENT | EMPLOYEE BENEFITS