

Statement by Art Ondish, Mayor, Mount Arlington Borough and League of Municipalities  
President

S-2

Presented to Senate Budget and Appropriations Committee  
Monday, November 19, 2012

Mr. Chairman and Members of the Senate Budget and Appropriations Committee thank you for the opportunity to appear before you today.

Good Afternoon, I am Art Ondish, Mayor of Mount Arlington and President of the League of Municipalities. I am here today to give the League's perspective on S-2 an act that is meant to promote the more effective operation of local government and sharing of services among local units.

First, we want to thank Senate President Sweeney and his staff for continuing to involve the League in the process. We share with Senate President Sweeney the commitment to provide meaningful, lasting relief to New Jersey's property tax payers.

The League's main objection to S-2 has been a fundamental issue. We must continue to oppose any proposal which would, on the one hand, allow the voters to express their will; but on the other hand, inform those voters that they will be penalized if their will does not comport with that of a majority of the appointed members of LUARCC.

To us, this is a fundamental position, respecting our voters and the concept of self-determination

It cannot be argued that taxpaying voters who democratically reject an option offered them by a bureaucratic State agency, thereby forfeit the right to property tax relief funding. As taxpaying citizens of the State of New Jersey, they must be allowed the encumbered right to determine the future government of their communities. And they must be assured equitable access to the benefits secured by their own tax dollars.

In addition, we understand that Senate President Sweeney will be introducing additional amendments to S-2 today. Initially S-2 removed or reduced many of the roadblocks that increase the costs of shared services – things like terminal leave, pay, civil service mandates, employee tenure requirements – many of the original provisions in bill could reduce the costs and hurdles

to shared services and consolidations, produce municipal savings and promote relief for our taxpayers. No longer would Civil Service be an impediment to sharing services. However, the amendments proposed today seem to discourage shared services from a municipalities' perspective by continuing the hindrances imposed by Civil Service.

First the proposed amendments would require any non civil service municipality entering into a share services agreement with civil service municipality as the provider to be brought into the civil service system. As a result the Civil Service System would be expanded.

Second, by making two municipalities subject to civil service rules and collective bargaining agreements for determining which employee stays, protects the seniority provisions. Municipalities that are considering merging units want the flexibility to retain the best possible qualified and efficient work force or consolidation in any form doesn't make any sense. Municipalities need the flexibility to choose which employees it will retain and how to frame their workforce. The proposed amendment takes that management prerogative completely out of the municipalities' hands and puts it entirely within the confines of the civil service system and collective bargaining agreements. This will certainly have a chilling effect on this process.

Third, the mediation and arbitration of contractual provisions will impede the process from moving expeditiously and may not result in cost savings. We do not foresee a smooth merging of two collective bargaining agreements so we anticipate that mediation and arbitration will become the norm thus leading to delays and additional cost.

Shared Services are not a new concept to municipalities. We have been a long time supporter of shared services. In fact, the vast majority of municipalities are already involved in sharing of services. Many of them were initiated long before our current crisis.

There is no overnight cure to our property tax crisis. Shared services, consolidation or other cost saving measures are long-term actions where benefits/savings may not be seen for a number of years down the road. The vast majority of Mayors are willing to consider options, but do not want to see their citizens punished, if they disagree with the decisions reached by LUARCC. We trust the judgment of the people who elect us. Legislators need to trust local officials to do the right thing when the situation warrants, as well. And we all need to work together.

The time has come for public servants at all levels of government and in all local units to put our heads together and work towards a serious approach that will benefit taxpayers in the long run.

Though we oppose the bill, we thank Senator Sweeney for involving local officials in the development of this legislation, for listening to our concerns, for accepting so many of our recommendations, and for all he has done and continues to do for our property taxpayers.

That said, we oppose S-2. And we strongly oppose the proposed amendments.

Thank you.