

DE-ANNEXATION REPORT

John A. Camera, Berkeley Township Administrator – April 3, 2018

I have attended most of the hearings on de-annexation since being employed as the Berkeley Township administrator on November 17, 2015. Additionally, I have had the opportunity to review annotated transcripts, obtained from Stewart Wiser, which covered much of the testimony from hearings which I did not attend. I used these transcripts and my knowledge of municipal operations to help direct and prepare Township staff so that they could address allegations made by the petitioners regarding services provided by, and operations of, Berkeley Township. I had over 20 years of municipal experience as the administrator for the Borough of Seaside Heights and have become very familiar with the operations of Berkeley Township over the past 28 months as Berkeley Township's administrator. My goal in this report, and my testimony, is to analyze the testimony given regarding the various departments of Berkeley Township and to ultimately address the impact of de-annexation on the Township.

DEPARTMENTS

Police: Berkeley Township provides excellent police services and members of the Police Department have given compelling testimony showing the petitioners' claims of unacceptably long response times to be unfounded and untrue. If South Seaside Park were permitted to leave Berkeley Township, the Township would not see any savings in operating expenses and little to no savings in salaries due to the fact that it is so large and therefore we would use whatever resources and manpower are currently utilized in South Seaside Park on the mainland. Additionally, we would still be responsible for patrol and police protection on Pelican Island. Any possible minimal savings in salaries would only come if we hire fewer Class Two police officers than we currently do.

Emergency Medical Services: Tri-Boro First Aid covers South Seaside Park and Seaside Park so there would be no change in service or coverage should de-annexation occur. Berkeley Township makes an annual donation to Tri-Boro for this service. There would be no savings to Berkeley Township in that the donation we currently give to Tri-Boro to cover South Seaside Park and Pelican Island, would still be needed to ensure coverage of Pelican Island.

Street Maintenance: Berkeley Township provides an excellent street maintenance program. Importantly, testimony has shown that South Seaside Park has reaped the benefits of this program in that South Seaside Park has had a much higher percentage of its roads paved in recent years than any other section of the Township. Berkeley Township would see no savings in salary and wages and little to no savings in operating expenses for the street maintenance program due to the fact that we are so large and would use whatever resources and manpower currently utilized in South Seaside Park on the mainland for the care and repaving of more mainland roads. Additionally, we would still be responsible for paving, snow removal and street cleaning on Pelican Island. It would be negligible in the scheme of our budget that we would not have to buy sand for the roads in South Seaside Park. All capital improvements for South Seaside Park, most notably, road repaving would no longer be needed if de-annexation were to

occur. But again, we have so many roads on the mainland that are due for repaving that we would not reduce our annual capital ordinances due to de-annexation, we would simply be able to pave additional roads on the rest of Berkeley Township.

Garbage/Recycling: Berkeley Township provides exceptional service when it comes to this department. Not only do we provide almost unlimited bulk pick-up and more frequent pick-ups than in most municipalities, but, South Seaside Park seasonally receives more frequent collection than any other area of the Township. Nonetheless, the Township would see no savings in salary and wages and very little savings in operating expenses as we would use whatever resources and manpower currently utilized in South Seaside Park on the mainland. Additionally, we would still be responsible for garbage and recycling pick-up on Pelican Island. Any savings achieved by not having to pay the tipping fees at the landfill for any garbage currently picked up in South Seaside Park would be insubstantial in the scheme of our budget.

Recreation: The Township provides excellent services through our recreation department. While most of these services are on the mainland, other than the annual beach party as part of our summer concert series, all residents are welcome to participate in them. Should de-annexation occur, we would see no savings in this department due to the fact that we are so large and operate our programs on the mainland and would simply provide one more concert on the mainland or continue the annual beach party on White Sands Beach. The White Sands Ocean Beach is property owned in fee by Berkeley Township. Therefore, even if de-annexation were to occur, we would maintain ownership of that property and would still be responsible for the operation of it until and unless it was purchased by Seaside Park.

Parks/Beaches: The Township offers excellent service in this department and we are constantly working to improve the maintenance of our Bayfront in South Seaside Park. No savings in salary and wages and no savings in operating expenses can be reasonably anticipated due to the fact that we are so large and would use whatever resources and manpower currently utilized in South Seaside Park on the mainland. The Township would still be responsible to maintain its “green spaces” on Pelican Island, the White Sands Ocean Beach and the Lyons basketball court which are all properties owned in fee by Berkeley Township. Even if de-annexation were to occur, the Township would want to maintain ownership of these properties and would therefore still be responsible for the operation and maintenance of them until and unless they are purchased by Seaside Park.

Finance: Losing approximately 11% of the Township’s ratables and having little to no savings to our operating costs means that 11%, which currently represents approximately \$4.5 million dollars annually, would have to be made up by, and be a hardship to, all other Berkeley Township taxpayers. Absorbing that approximately \$4.5 million dollars would cost an average tax payer, many of whom are at low to moderate income levels, and living on fixed incomes, an additional approximately \$275.00 per year on a \$4,000.00 tax bill. This is almost a 7% increase and would be a significant hardship on these residents. I reviewed a 24 page Financial Impact report authored by Kenneth Moore, CPA, RMA and submitted by the petitioners, as well as an 18 page Financial Impact Analysis authored by Fred Ebenau, Berkeley Township CFO. These in-depth

reports were very detailed and utilized various assumptions. My financial summation utilized the Township report, believing it to be the more accurate one due to the fact that Mr. Ebenau has extensive, day to day and historical, knowledge of Berkeley Township operations. I think it's notable that page 11 of the petitioners report shows a \$204.00 increase on a home assessed at \$200,000, (approximately the average Berkeley Township assessment). This \$204.00 or 5.21% increase is still a significant and unwarranted financial burden on Berkeley Township property owners and is a compelling reason to not allow de-annexation.

Engineering: Over the past five years we have paved a much higher percentage of the South Seaside Park Township roads than any other section of the Township.

Planning: Berkeley Township is a diverse mix of neighborhoods and residents, the Township can be generally broken into four distinct areas: **Bayville** – Made up of a mix of neighborhoods. Most of them are low to moderate income people living in modest homes. The waterfront East of Route 9 is mostly comprised of moderate to higher income people living in upper-middle class homes. **Senior Communities** – There are 10 Home Owners Associations comprised of approximately 10,000 homes. Most of these homes are over 40 year old, very modestly built properties, occupied by retirees and others on very low fixed incomes with social security being the predominant income source. **Manitou-** This area has Berkeley Township's largest percentage of people of color and lower income residents. **South Seaside Park/Pelican Island** – This area of Berkeley Township is the whitest, richest, best educated and most fully employed section of Berkeley Township. The de-annexation of South Seaside Park would not only take this "high-end" socio-economic group away from the rest of Berkeley Township, it would also add that group to a very similar group in the very small, exclusive, Borough of Seaside Park. Small Boroughs are generally recognized as not as cost effective and efficient as a municipality the size of Berkeley Township. There is a well-recognized and widely accepted position in New Jersey as expressed in the Municipal Consolidation Act and Uniform Shared Services and Consolidation Act that the proliferation and expansion of these small municipalities is bad public policy.

GENERAL COMMENTS

The record before this Board does not support the petitioners' self-serving allegations of extreme inefficiencies. Many of those allegations were proven wrong when Township representatives presented the facts. It is unfortunate that petitioners, even in light of the facts, feel that they are not receiving the level of services they desire. However, feelings of dissatisfaction with municipal services, are not a legitimate reason to allow de-annexation. Disgruntled residents need to work with, and/or elect different, governing body members to obtain the services they want. Berkeley Township has a Ward system of government and South Seaside Park, together with the waterfront area East of Route 9, are represented by a Councilperson for Ward One, as well as the three at-large Councilpersons. Council meetings are advertised and open to the public and all include a public comment period. There are numerous opportunities for residents and property owners to comment, question and give suggestions to the Mayor and Council, and to ultimately elect new representatives if they are not satisfied.

The petitioners have spent a lot of time alleging conflicts and inappropriate behavior regarding the governing body, planning board members and Township employees and professionals having discussions regarding de-annexation. Discussion is not decision – it, like these hearings, is a mechanism for ensuring that decisions are made with the maximum insight and information possible. In fact, it is the responsibility of certain employees and professionals of the municipality to research and then communicate with officials so as to provide them with the best information available.

Any communication between Stewart Wisner and the Berkeley Township Governing Body or Administration that I am aware of was strictly to discuss procedural protocol. Administration did utilize Mr. Wisner's annotated transcript because it was broken down by subjects and or municipal departments and it was an efficient way for me to parse out sections to the respective employees and professionals. There was never any plan to have anyone take positions to "fight" de-annexation, but rather to respond to the petitioners testimony and create our own portion of the record showing the Township's position on various issues.

I have not participated in, nor am I aware of, any inappropriate behavior involving any Berkeley Township employees, professionals or officials in regards to this matter.

SUMMARY

Refusal to consent to the de-annexation of South Seaside Park from Berkeley Township would be neither arbitrary nor unreasonable. A great deal of time and money was expended by the municipality to entertain, record, research and respond to a great deal of testimony by the Petitioners. This was done so that the Planning Board could have all the relevant information possible so as to prepare a recommendation to the governing body.

The de-annexation of South Seaside Park from Berkeley Township would most certainly cause a significant injury to the well-being of the municipality in which the land is located. The record clearly shows that Berkeley Township would lose an integral section of its diverse social make-up. Additionally, the record also shows that there would be a significant economic impact on the remaining residents of Berkeley Township, a group of primarily low to moderate income people who cannot afford an increase in taxes to satisfy an elite group of people who would rather be associated with others more similar to them.

John A. Camera, Berkeley Township Administrator

