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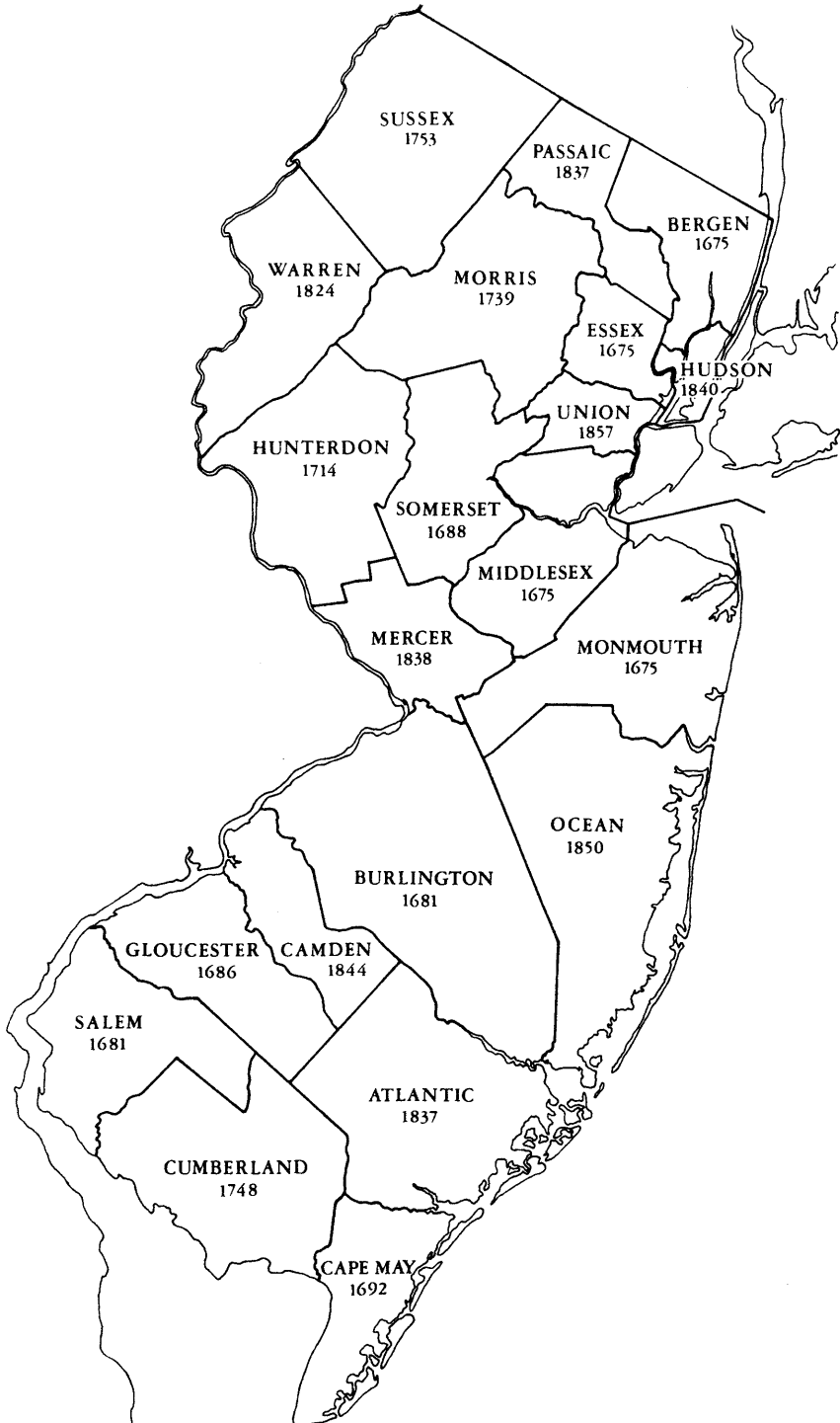
STATE OF NEW JERSEY
COUNTY AND MUNICIPAL GOVERNMENT
STUDY COMMISSION



*County Government:
Challenge and Change*

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STUDY COMMISSION

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April 28, 1969

TO HIS EXCELLENCY, GOVERNOR RICHARD J. HUGHES, AND HONORABLE
MEMBERS OF SENATE AND GENERAL ASSEMBLY:

The County and Municipal Government Study Commission is
pleased to submit its second report, *County Government—Challenge and
Change*.

The Commission was created pursuant to Chapter 28 of the Laws of
1966, and charged with responsibility to study the structure and function
of county and municipal governments, including their constitutional and
statutory bases; to inquire into the structural and administrative stream-
lining of county and municipal governments as proposed in New Jersey
and other states, including consolidation, federation, special districts,
contract purchase of services and abolition or strengthening of existing
forms of government; to determine their applicability in meeting the
present and future needs of the State and its political subdivisions; and to
study the interrelationship of State, county, and municipal governments.
To achieve as broad a representation as possible, a Commission of 15
members was created, nine of whom are named by the Governor, three of
whom are Senators named by the President of the Senate and three of
whom are Assemblymen, named by the Speaker of the General Assembly.
Of the Governor's appointees, three are nominees of the New Jersey
Association of Chosen Freeholders, three are nominees of the New Jersey

State League of Municipalities, and three are from among the citizens of the State.

The report is respectfully submitted to the Governor and to the Legislature by the undersigned.

(s) WILLIAM V. MUSTO,
Chairman

(s) RICHARD J. COFFEE,
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ACKNOWLEDGMENTS

This report has been made possible by the kindness and cooperation of over five hundred local government officials who gave of their time and ideas to help the Commission in its study of county government. In comparison to municipal and state government, relatively little research has ever been done in this important area, and so the Commission was forced to develop most of its program and factual information from first-hand research. This would not have been possible without the complete cooperation of all those officials who participated in this study.

The Commission owes a particular debt to thirteen municipal managers and administrators who collectively spent 11 weeks, travelling 4,500 miles to interview 260 municipal and county functional service officials in 65 municipalities and all 21 counties. The information they obtained from these officials on county-municipal relations and on county government's provision of services has been the basis for much of this report.

In addition, we would like to thank the 170 Mayors and the 43 Freeholders who took the time to answer Commission questionnaires on problem areas in county government, county-municipal relations and methods for improving county government and local government in general.

The Commission was particularly fortunate to have had the complete cooperation of the New Jersey Association of Chosen Freeholders, its President Anthony Greski, former President John McCarty, and its Executive Vice President, Jack Lamping. Their assistance in providing information and in making possible contact and liaison work with groups of county officials, has been fundamental to the completion of this study. We have also enjoyed the full cooperation and courtesy of many groups of county officials, including the Constitutional Officers' Association, the County Counsels' Association, the County Engineers' Association, and the County Planners' Association, as individuals and as a group. The Clerks to the Board of Freeholders have been particularly cooperative and patient with the Commission staff.

By the same token, the Commission is grateful to the New Jersey State League of Municipalities and to the New Jersey Taxpayers' Association for the assistance, support, and encouragement which their staffs have given to the Commission. Particularly for the comments and ideas given the Commission staff by Jack Trafford and Frank Haines. In addition the Commission wishes to acknowledge its general indebtedness to its former Executive Director Ronald Berman for his contributions and continued interest in the development of the Commission's program. The Commission hopes that all of these close working relationships will continue in the future.

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Finally, The Commission is grateful to the *Public Opinion Quarterly* for their permission to reprint material on county political organizations.

While the responsibility for this report and its conclusions and implications lies exclusively with the Commission, it is accurate to say that without the help of these many groups and individuals this report could not have been written.

MUNICIPALITIES PARTICIPATING IN THE COMMISSION'S RESEARCH PROGRAM

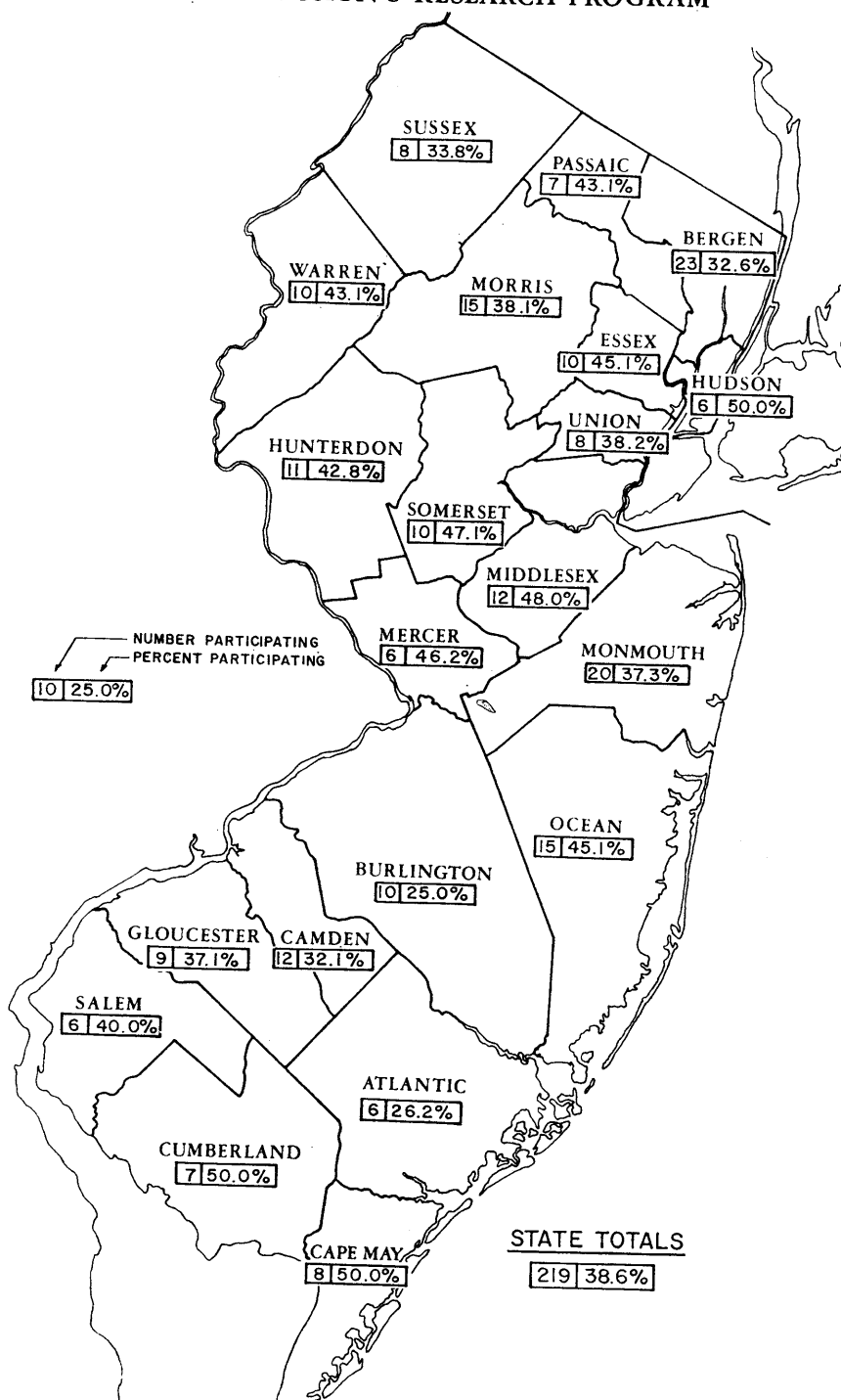


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INTRODUCTION: THE CHALLENGE TO LOCAL GOVERNMENT

During the past few decades there has been a clear trend toward increasing federal and state involvement in many areas of government service which were by tradition within the province of county and municipal government. While this trend has produced necessary solutions to problems which local government could not solve, the fact remains that in recent years the role of local government has diminished significantly in importance, and, if anything, the process of federal and state involvement is likely to accelerate in the foreseeable future. The reasons are clear enough: local government simply cannot meet many area-wide problems because of inadequate governmental and administrative machinery, and because of fiscal inability it cannot develop programs to meet needs even where it has the governmental and administrative resources to do so.

As our society and economy grow ever bigger and more complex, it becomes imperative that we have good small government as well as good big government. If power and responsibility are concentrated in Washington and in state capitals, it becomes increasingly difficult for the citizen and taxpayer to feel that government is responsive to him and his needs. Local government's greatest virtue is precisely its ability to respond to the individual's needs in a personalized way. When a man has a problem, he has relatively easy access to the official who can help him, and because the official depends on a relatively small constituency in the average municipality, he will probably be more responsive than will an elected official at a higher level. If we lose this close link to the individual, democracy becomes less workable, if not impossible. In response to this need to strengthen and improve local government, the County and Municipal Government Study Commission was established. The Commission believes that local government must be given every opportunity and resource to meet the pressing problems it faces.

This means relieving local government of many fiscal responsibilities which it cannot adequately or equitably meet. It means encouraging an active and creative partnership between a strong local government and state government. It means examining the structural and service problems facing local government and strengthening its ability to handle its problems. It means encouraging cooperation and coordination at the local level so that municipalities and even counties can work together to meet problems which transcend their boundaries. In short, it means giving local government the power, the resources and the machinery to meet the tremendous problems it faces today, and to meet the even greater problems it will face in the future.

After extensive research, the Commission has concluded that the greatest single shortcoming in our present system is the absence of a unit of government which could meet those problems which one municipality or group of municipalities cannot meet alone, and yet which should not be taken over by state and federal intervention. Life today is uncompro-misingly complex and it is scattered over wide areas. Neither air pollution, nor criminals, nor sewage, nor floods respect political boundaries. And neither do shoppers, nor commuters, who may cross the boundaries of from five to a hundred governmental units before they complete their business and go home. Yet, we lack a flexible, efficient and effective middle unit of local government, one between the state and the municipality.

The consequences of this lack are that in urban areas many of the problems of drainage, air and water pollution, traffic control and mass transit, law enforcement and health are being inadequately met, if at all; and that literally dozens of agencies may duplicate one another's efforts and still not get the job done. In rural areas it frequently means that vital services are not performed because sparsely populated, sprawling townships do not have the money or the manpower to provide them, and even if they did, they could do so only at an unjustifiably high cost.

We do not suggest that any unit of government can solve these problems alone. But we do suggest that municipalities cannot long continue to bear the burdens which have brought home rule and our cherished local government system to their present state of crisis. A governmental partnership—a new creative local system—is necessary if we are to succeed in meeting today's problems.

We need a unit of local government at the middle level—one between the state and federal governments on one hand and the municipality on the other. This unit could be the bulwark of a revitalized local government system in New Jersey, in that it could:

1. *eliminate waste and duplication* and insure that local needs are adequately met through coordination of state and federal programs;
2. *undertake area-wide services or cooperate in providing services* or solving problems which municipalities feel they themselves cannot solve alone, but which are best handled locally rather than at a state level;
3. *arrange for other services on a voluntary contractual basis*, particularly in rural and newly developing areas, where municipalities might not be able to provide needed services by themselves.
4. *act as a rallying point for municipal and other local interests*, giving local leaders a forum and a firm base not only for discussion and action on problems of common interest, but for strong representation of their area's interests in dealing with state and federal governments.

Obviously, this proposed unit of local government stands or falls on one essential element: the confidence and activity of its participants. If the structure alone is created, local government is still in jeopardy. But if local leaders, through their actions and their drive, breathe life into the structure, local government can live up to the fine traditions it set in the earliest days of colonial America. The challenge is there; success or failure in large measure depend on the willingness and the vitality of local government's leadership.

After considering numerous alternatives for the development of this new level of government, the Commission has come to the conclusion that present county government is the best starting place. There are obvious problems. They include the present state of county-municipal relations in many areas, the county's present capacity to deliver services, and county legal, fiscal, structural, administrative and political problems. All of these problems are analyzed in detail in this report, and suggestions are made for dealing with them.

With two major qualifications, the Commission recommends use of present county government as the best alternative for building an effective unit of local government at the middle tier:

1. the Commission views present county government as starting point or base—not as a desired end;
2. only with substantial changes in every area can county government become an efficient, effective government which accurately represents its constituents and can act to meet their needs.

Other governmental alternatives would bring too much state involvement, or would mean that most area-wide services would be performed by huge authorities which are usually unresponsive to public need and almost invariably are far too insulated from change and from scrutiny by the elected representatives of the people. In numerous other states, for precisely the same reasons, county government has been the key to preserving local government. It has been favored over state intervention, and over super-authorities and districts as well. With the proper structuring, with the confidence and effort and leadership of municipal and county officials, it can become an effective and integral part of local government.

In conclusion, let us make this point clear: *an improved and re-structured county government is not a threat to home rule—it is its best defense.* It would not do what municipalities now do, but what they and the state cannot do. The Commission is convinced that we face so many problems in New Jersey—and so many of them are in the “grey” area that lies between state and municipal government—that if we do not develop and improve county government along the lines suggested in this report, we shall fail to meet crucial area-wide and interlocal problems; and local government and home rule will, as a result, wither and be relegated to the back pages of history.

SUMMARY OF FINDINGS AND CONCLUSIONS AND RECOMMENDATIONS

I. Findings and Conclusions

After a year-long study of county government in New Jersey, the Commission has concluded that:

County government can play an increasingly important role in a revitalized and strengthened local government system.

In the Commission's view the greatest single problem of local government as a system today, is that:

We lack a middle level of government which can:

1. move to meet problems which individual municipalities or groups of municipalities *cannot* meet unaided, and yet which *should not* be met by the state and federal governments;
2. perform area-wide and interlocal functions which municipal and other local leaders believe must be met by such a middle level or middle tier government;
3. coordinate state and federal programs effecting local government to make sure that local needs are met with a minimum of confusion, delay, waste and overlapping;
4. serve as a rallying point for local leadership so that the leaders can unite to provide needed services and solve pressing problems, decide on the area's goals and policies and, through this middle level government, make their desires known both to their citizens and to state and federal officials.

While a decade ago many felt that any area-wide government was a threat to home rule, the Commission feels that such a middle-level government is an absolute necessity if we are to preserve local government in the face of an ever-growing maze of complex and desperate problems such as air and water pollution, traffic and transit, law enforcement, drainage and solid waste disposal. If local government does not and cannot meet this, the greatest challenge of its history, the Commission believes that in the foreseeable future the state and federal governments will of necessity preempt all these areas and local government, as we know it, will wither and atrophy.

After considering the alternatives for government at the middle tier, the Commission concluded that the county was the best alternative as a basic unit because:

Counties have strong political, administrative and functional roots in New Jersey, and they have sufficient territorial and population size

to undertake area-wide services. Moreover, their boundaries, while man-made, do not prevent the solution of ultra-county problems in cooperation with other counties and state government.

Another significant factor in the Commission's consideration was that of political accountability. Local government's greatest virtue is that it is close to the voter and taxpayer. Therefore, the middle-tier government, if it is to be local in its character, must be a general government headed by responsive elected officials.

Moreover, because of the county's traditions and established lines of communication, the Commission feels that the county unit, with significant changes and improvements, would be a good base for local government at the middle tier.

The Commission does not mean to suggest that county government is a panacea for all problems facing local government. State, county and municipal governments all have a great deal to do if we are to retain and strengthen our local government system. *The Commission believes that a combination of strategies, a creative partnership of local governments, is necessary to meet today's problems.*

However, the Commission believes that county government must undergo substantial legal, fiscal, structural and administrative changes if it is to become capable of being an adequate and effective and efficient area-wide unit of local government. The Commission's research outlined four main areas of inadequacy which must be given serious attention and effort immediately.

1. *Legal Inadequacy* (See Chapter II.) By origin and evolution, the county is largely a state agency; it is at present not a general government. It has no powers of self-determination, no significant area-wide powers, no effective power to legislate and it even lacks the power to reorganize itself and in many important cases to oversee the tasks for which it pays.
2. *Fiscal Inadequacy* (See Chapter III.) As a state agency, the county performs a host of essentially state duties—duties which are mandated by state law and are really state responsibilities (such as judicial functions) and which create a severe burden on county government. These mandated duties consume 56% of the county's budget and are growing at such a rapid rate that they inhibit the county's ability to expand locally-oriented and area-wide service areas, such as parks and recreation, planning, drainage, community colleges and vocational education, and health programs.
3. *Structural and Administrative Inadequacy* (See Chapter IV.) The present structure of county government almost prohibits effective and efficient administration. Almost 60% of the counties' budgets, services and employees are under the con-

trol of 265 powerful independent boards, agencies and commissions which are in great measure accountable to no one but themselves. The Freeholders have control over only 20% of the money they raise in taxation; and over the portion of county government they do control, they exercise administrative control rather than strong legislative control (the average Freeholder spends almost as much time signing vouchers as attending Board Meetings to set county policy). Because the Freeholder is tied to departmental administrative duties, no one really sets goals and policies for county government as a whole; no one can. Moreover, even if the Freeholders had the power and the time to devote to setting policies, they do not have an adequate professional central administrative staff to assist them.

4. *Political Adequacy* (See Chapter V.) The county is the basic unit of state and national politics in New Jersey, and political organizations at the county level are well-developed and effective. The county political organization has also been an important factor in holding the fragmented county government together.

Viewing the political adequacy of county government in a broader sense, one can say that on the whole, the Freeholders are fully aware of their constituents' needs and problems, and feel that, with significant changes in the system, great improvements can be made. Similarly, municipal leaders are aware of the reasons for county inadequacy and have expressed an obvious willingness to improve county government and to give it real responsibility if the necessary changes are made.

The greatest single political inadequacy of county government is its *invisibility*, due largely to a lack of contact with its citizens. If county government is to become a viable unit of local government, it must gain the confidence of municipal and other local leaders, and develop a broader base of citizen support.

In summary, county government must be centralized under the control of elected officials who have the legal power, the fiscal resources, the structural flexibility and the administrative staff to meet the challenges facing local government today; and it can be an effective general government at the middle tier only if it works in partnership with municipal and state government and only if it gains the confidence and support of its citizens.

II. Recommendations

Given the legal, structural and administrative inadequacy of county government today, the Commission recommends that:

Counties should be given a substantial measure of self-determination so that county and municipal officials can shape government to meet their local needs and conditions.

To the extent that all counties suffer from these legal, structural and administrative weaknesses, the Commission recommends that they be offered the *general* powers to undertake the following:

1. *Reorganize themselves as they see fit*, under general law, including the right to consolidate agencies, boards and commissions;
2. *Initiate area-wide and interlocal services*, including the power to enter into voluntary contracts to perform services for municipalities desiring such services, and the power to provide other services as need arises and local leaders desire them;
3. *Provide for a legislative and policy-making role for the Board of Freeholders*, giving the Board the legal authority to act as do elected officials at the federal, state and municipal levels, and to enact legislation setting policies and programs for county government, and freeing them from the host of minor administrative duties which consume so much of their time at present;
4. *Provide for professional central administration* to act under the direction of the elected officials in setting administrative and personnel policies (subject to the protections of Civil Service) and in such fields as budget preparation, program evaluation and research.

The Commission believes that a county government restructured along these general lines can be of great service to municipalities, to the state and to the people it serves.

Recognizing that within these general problem areas, there are different types of counties at different stages of development and urbanization, each with varying needs and desires, the Commission proposes that, within the guidelines described above, there be four basic alternative structures (plus the present procedure of petitioning for special legislation) among which counties may choose, each form being designed for a different type of situation or county.

First, a Board-Manager Form which would provide for a strong manager serving at the pleasure of the Freeholder Board. All elected officials would be equal in stature, but one would serve as ceremonial head of the Board, similar in powers to the Freeholder Director. Such a form would be best suited to a county where there were not sharp distinctions between city and suburb or sharp party competition, but rather a county which was still predominantly rural or which was predominantly of one political party.

Second, a Strong Elected Executive Form under which a county executive would be elected as chief executive of the county, like the President of the United States, or the Governor. He would head the county's administration, present a budget message, propose legislative programs and have veto powers over Freeholder Board decisions; the executive

would appoint an administrator to assist him. This form would be most appropriate to an urban county with sharp political, social and regional competition.

Third, a Strong Board-Administrator Form under which the Freeholder Board would have more power than under the Board-manager form, and the administrator would work under a relatively strong Board president selected by the Freeholders. This form would be most applicable to rural or one-party counties which did not want to place very much authority in the hands of a professional administrative officer or give too much power to an independently elected executive.

Fourth, an Elected Supervisor Form in which the executive would be elected by the voters to head the Board, but he would not be as powerful as a county executive. He would not have the power to present a budget, and he would not be the chief executive of the county administration. Under this plan, both the council and the administrator would be in closer contact and share more power than either or both under the county executive plan. This form would be most useful in developing or suburban areas where social and political differences may exist but are not in sharp or violent focus, as in urban counties. This plan provides for leadership but also provides checks and balances.

The Commission believes that urban and developing counties could benefit from adopting one of these plans as soon as possible, that rural counties could benefit as well, and that it would be desirable for all counties to adopt one of these forms within the next few years.

The Commission is convinced that if county government is not completely reshaped, improved and strengthened along the lines suggested above, counties will never be able to meet area-wide and interlocal needs adequately.

In terms of fiscal adequacy, the Commission believes that as a matter of policy:

The state should assume or begin to assume from county and municipal government all fiscal responsibility for functions and services such as public education, the administration of justice and welfare, which are of state-wide scope, impact and implications.

More specifically, in terms of county government the Commission finds that:

1. *State-mandated expenditures which the county performs as an agent of the state account for 56% of the county budget, and county government cannot meet local needs adequately unless and until the state assumes at least some of these costs.*
2. *The traditional practice of using the county as a taxing unit for financing such mandated state functions as welfare and judicial administration actually accelerates urban blight by placing the*

heaviest burden of cost on older residential suburbs in urban counties at the time when costs of renewal, capital replacement and education are the highest; this questionable practice debilitates older municipalities and hastens their decline.

3. *Placing the burden on county government has caused considerable bitterness and county-municipal friction in urban areas, thereby jeopardizing the county's ability to gain municipal confidence.*

Therefore, the Commission believes that the state must in time assume virtually all of these mandated costs. Realizing that this cannot be done immediately (The sum involved would be in excess of \$225 million), the Commission recommends that as an irreducible minimum the state assume the remainder of categorical welfare program and administrative costs (approximately \$55 million in fiscal 1969-70) and the entire costs involved in the administration of justice at the county level (just under \$63 million).

These are the burdens which fall most heavily on urban counties and older municipalities and therefore they should be assumed at once to alleviate the fiscal crisis of urban New Jersey. The Commission recognizes the need for efficient administration of the welfare system to minimize abuse, and it further recognizes that having to shoulder part of the welfare cost burden has given counties an incentive to maximize efficiency in administration and to minimize abuse in payments. Therefore, the Commission feels that when the state assumes complete financial responsibility for this function it must also develop methods and procedures for maintaining and hopefully improving present controls over inefficiency and abuse in the system.

The Commission, having studied the financial crisis in local government at length, believes that the state must assume these costs, subject to the safeguards mentioned above, as soon as possible, and it must do so on a full-cost basis, for experience has shown that partial fiscal assumptions are only of temporary benefit to local government. Last year, for instance, the legislature voted to cut the county's share of welfare costs in half. Yet in fiscal 1969-70 the counties will actually be paying *more* than they did in fiscal 1966-67—in spite of the state's cutting the county cost share in half. Clearly, the need is urgent and local government must have real fiscal relief if it is to continue. These problems and others will continue to be the subject of extensive Commission research in the coming year.

III. The Commission's Program

During 1966-67, the Commission held special sessions aimed at identifying the general attitudes on the performance of local government in the state. The Commission also entertained suggestions for a study program to remedy the present structure and functioning of local government. In March 1968, the Commission issued its summary of findings in a report entitled, *Creative Localism: A Prospectus*. The report identified the

pattern of urbanization in the state and defined the problems resulting from rapid growth. The report concluded that local government in the state is faced with the most serious set of problems it has ever had to face and that so far the present structures are failing to meet them. The major weaknesses of the present governmental system were cited as fragmentation, overlapping and confusion of jurisdictional lines; the localization of fiscal responsibility; and the lack of adequate machinery for creative local response to area-wide and regional needs.

A major policy recommendation emanating from this report, and since implemented in part by the legislature, was the assumption by the state of the cost of public assistance (both the general and categorical programs and administrative costs). In general, the Commission urged that the responsibility for financing functions which have state-wide impact should be borne by the state.

The report further proposed a program aimed at recommendations for rational allocation of governmental functions in New Jersey, based on:

1. the development of criteria for the evaluation of governmental functions and structures;
2. a study of the existing structures and their capabilities of providing services and performing functions;
3. studies of individual functions.

In charting its future program the Commission urged the state to move in 3 specific directions:

1. to strengthen county government's ability to meet area-wide needs;
2. to enlarge the scope of legislation and develop financial and administrative techniques for interlocal cooperation;
3. to expand or encourage programs of an area-wide or multi-functional nature.

During 1968-69 the Commission proceeded to evaluate the first of these three areas—the role of county government.

Future Programs

Next, the Commission will begin two parallel studies of intergovernmental relationships: (a) interlocal cooperative activities, including every type of contact of a horizontal relationship among units of local government; (b) the vertical interaction among various levels of government.

The principal thrusts of the interlocal study will be:

1. to survey existing types of cooperative arrangements among local governments as to their areal and functional scope, financial implication and effectiveness;

2. to analyze the legal and statutory base for cooperation and state and federal guidelines and administrative practices affecting interlocal activities;
3. to assess the obstacles to entering into voluntary arrangements and suggest means of overcoming such obstacles;
4. to suggest a range of alternatives based on experiences in New Jersey and effective models elsewhere and develop legislation for proposals to stimulate interlocal cooperation and voluntary consolidation of functions or service areas;
5. to develop model contracts, handbooks, and other materials to stimulate interlocal cooperation.

The Commission's second major study will deal with the 1,200 state, federal, and state-federal programs which effect local government. The Commission will undertake a detailed statutory, administrative, and fiscal analysis of these programs, seeking to evaluate them individually and collectively as they effect the local government system. The main focus of this study will be in the following areas:

1. examining opportunities and attempts to deal with problems on an area-wide or multi-functional basis;
2. examining the procedures and administrative requirements and practices under the programs, to determine if needless complexity inhibits effective use by local government officials;
3. viewing the programs in their totality, to determine where individual programs may duplicate or conflict with or fail to supplement elements of similar programs or programs effecting the same locality;
4. seeking to develop innovative techniques and policies for improving both the effectiveness of these programs and the accessibility or ease of utilization from the point of view of the local official;
5. recommending legislative and administrative changes to insure that the programs will be of maximum benefit to local government.

The Commission intends to research some other specific problem areas during the coming fiscal year. For example, the analysis of the state as a redistributive unit; the examination of the economies of scale created by interlocal or area-wide action; the impact of intergovernmental transfers on municipal fiscal capabilities, including an examination of the role of special districts and authorities in New Jersey's local government.

While these studies are in progress, the Commission will begin the main phase of the research program—the development of a research design for the study of every major governmental function. *This analysis is the heart of the Commission's mandate; we will examine every function or*

service of government in order to determine which level of government should perform or administer or finance which aspect of each service. The Commission will undertake detailed analysis in each area, dealing with the economic considerations, with administrative problems, and with political considerations as well. In dealing with sewerage, for example, economic considerations might dictate a large area of service, while in elementary education or law enforcement political considerations might dictate smaller units. When this task is completed for all 16 major government services, legislative implementation of the Commission's findings may well mean better services and a much stronger local government system—a system which for the first time in its history is based on a rational allocation of duties on the basis of the strengths and resources of each level of government. Such reallocation may well mean that local government can once again become the flexible and creative system which it was meant to be.

Funding

The Commission has estimated that carrying out the program described above will cost approximately \$140,000.00. Various federal agencies have expressed their interest in the Commission's work and have made commitments to grant the Commission approximately \$80,000 during the next fiscal year (1969-70), subject to the legislature's appropriating necessary matching funds. The Commission has therefore requested a legislative appropriation of \$60,000, from which the Commission would obtain the funds necessary to match the federal grants and in addition it would also undertake other studies which are not eligible for federal funding. The Commission is hopeful that the coming year's work will be of benefit to local government and that the functional studies it will undertake based on the coming year's work will be of even greater benefit to strengthening and preserving our local government system.

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The first report of the Commission, *Creative* report sought to document today—a crisis which menaces itself—not only in urban and rural areas as well as in the report, and to other significant findings, has been encouraging strides toward a more debilitating financial

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CHAPTER I

Preparing Local Government to Meet Area-Wide Problems

The first report of the County and Municipal Government Study Commission, *Creative Localism*, was published in March of 1968. The report sought to document the crisis of local government in New Jersey today—a crisis which threatened the continued viability of local government itself—not only in the center city, but in the suburban, developing and rural areas as well. The legislative response to the Commission's report, and to other subsequent reports which echoed the Commission's findings, has been encouraging, and in the past year New Jersey has made significant strides toward fiscal responsibility and toward alleviating the debilitating financial burden on local government.

The problems of urbanization and development with which that report dealt are still with us, and in fact rapid growth and the demands it places on our overburdened local government continue to compound the problems and basic iniquities. In many areas the hopeful steps of the past year have already been overshadowed by the ever-growing dimensions and intensity of the problems and their tremendous impact on the local government system. It is therefore fitting that we restate some of the findings of our first report by way of introduction to this report on the need for an improved and strengthened county government as a partner in a local government system which can effectively meet many of these problems.

"New Jersey's local government system is confronted with the most serious set of problems it has ever had to face, and so far the system has failed to solve them . . . New Jersey is in desperate need of a better allocation of the fiscal and governmental responsibilities for the planning, financing, and performance of the functions and services provided by its local government system—especially those of area-wide or regional scope . . .

There are great inter-dependencies in maintaining social order, protecting persons and property, and providing public services within metropolitan regions . . . The relentless forces of change in our society—changes in technology, in living and working patterns, in the rising tide of expectations of people—have produced a superabundance of problems as well as unparalleled benefits. Riots and civil disorders, slums, segregation, chronic unemployment and poverty, escalating crime rates, traffic congestion, polluted water, air unfit to breathe, and inadequacies and unmet needs in many areas such as fire protection, health services, education, welfare, and public safety—this is but a partial listing of the problems we face today . . .

Aggravating the difficulties in meeting area-wide or regional problems is the fragmented character of local government in New Jersey. There are hundreds of specialized separate governmental units. It is obvious that because a person may live in one suburb, work in a second, shop in two others, and find movies and restaurants in others, suburban municipalities are inextricably interrelated. Yet, there are services which seriously affect the quality of life, such as water and air pollution, water supply, sewage disposal, drainage, and public education, which are not being provided adequately or economically by municipalities because of insufficient vertical and horizontal coordinating mechanisms. For example, transportation, air and water pollution, and solid waste disposal problems have gone for years without effective solution or control because of insufficient legal authority and the lack of clear-cut responsibility for undertaking the kind of effort required to deal with them."

The implications of this crisis are clear: if local government cannot effectively meet today's problems, the federal and state governments will be forced to meet them, as they have done on many occasions over the past few decades when local governments failed to meet such problems.

The Commission believes that local government should be given every opportunity and assistance to meet the problems it faces, for as society grows larger, more complex and less personal, it becomes increasingly imperative that we retain the responsiveness and individuality which are the traditional virtues of local government. As the previous report pointed out, local government must be given the legal, fiscal, and structural capability to meet problems. Money, or the lack of it, is a crucial aspect of the problem, but the lack of an effective governmental unit between the state and municipalities—a unit which can meet area-wide needs—is also essential. New Jersey needs a local unit of government at the middle level—to do what municipalities individually or in groups cannot do and what state and federal governments should not do. The remainder of this report will deal with the Commission's recommendations for developing local government at the middle or area-wide level.

To preserve home rule and local initiative we must develop area-wide governments which truly reflects local feelings and needs and can act in behalf of local interests. To do this, the unit at the area-wide or middle level should have the following characteristics:

1. *It should have a political structure which insures participation by all groups, all sections, and all major interests.* If such a unit cannot have elected representatives from every single municipality, it should at least have representation from every type of municipality and from every section of the area.
2. *It should have a structure which is centralized, streamlined, and carefully administered and directed,* so that it can be as economical and efficient as possible, and as effective as can be in carrying out programs and performing services.

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3. *It should have sufficient land size and population size so that it can tackle major problems.* In other words, it should be large enough in population to provide services economically and large enough physically so that in areas like sewage or traffic control it can either meet most of the problems within its own borders, or do so by working with another adjoining area unit.
4. *It should be large enough so that it has a resource or tax base which will enable it to perform the tasks assigned to it.* No unit of government below the federal is really self-sufficient, but this middle-level or middle-tier government should rely primarily on its own resources to meet its needs.
5. *It should have sufficient legal powers to be able to meet problems and provide services in the most effective and efficient way possible.*

There is no simple answer: no existing unit that will completely fill the bill. It is obvious that to meet the challenges of this complicated age will require a combination of strategies and devices: all levels of government must cooperate in the effort. But there must be one basic policy—one basic type of governmental unit which will direct and coordinate all the varying efforts. This means that we must select one form for government at the middle-tier from among the following alternatives:

1. *State assumption of all area-wide problem and service areas, with the state setting up regional administrative or service districts.*

This is an alternative that would severely limit the flexibility of local units, hamper the effective utilization of state manpower, and necessitate a higher level of expenditures by the state government, with the corresponding need for new revenue sources.

2. *Intermunicipal agencies and cooperative arrangements.*

New Jersey localities have made a start along these lines as evidenced from the Commission's first report, *Creative Localism*, however, such voluntary measures may not have the necessary scope to handle area-wide needs, and may be politically impossible in some instances. Experience in several other states illustrates that this approach also heightens disparities in cost and service levels in some cases.

3. *Intermunicipal cooperative arrangements combined with a series of large special service districts and authorities, each performing one service on an area-wide basis.*

New Jersey already has a proliferation of special districts and authorities which have served in many cases to hinder rather than aid in orderly development of service provision. (If anything, the number of districts and authorities within the state should be systematically reduced.) Such districts are often unresponsive to

governmental change, and the wishes of the average citizen and cause problems to elected officials who are held responsible for actions beyond their control.

4. *A large special services district which would provide all area-wide services.*

Such a unit would have the same general defects as 3 above but would compound the issue by the very scope of its concerns.

5. *A general government at the middle-level.*

A popularly elected government with broad responsibilities and powers would seemingly be a solution to the problems of service provision by a responsive and viable government. Moreover, a general government has more flexibility than do limited-purpose districts or authorities. The potential for such a government already exists in the 21 counties of New Jersey.

It is only logical that the county restructured as a general government must emerge as the Commission's choice. However, *a strong middle tier is only as strong as those levels of government above and below it.* The Commission believes that New Jersey government is only as strong as its weakest link. *Action must be taken to increase the autonomy, efficiency, and viability of local government in this state and to make the state government more effective in facing our challenge.*

The County as an Alternative

The county represents a level of government larger than the municipality and smaller than the state and therefore it is the ideal unit to perform and provide interjurisdictional functions and services.

The county is the only existing form of area-wide government in New Jersey to implement state plans and to allocate scarce resources to sub-regions within its jurisdiction. Being smaller than the state, closer to and more intimately involved with its municipalities, the county can provide contractual services to a municipality or inter-municipal group as well as perform functions not possible at the municipal level because of jurisdictional problems.

Before we discuss the potential however, we should examine the reality of the present county structure in terms of our previously mentioned standards.

First, the question of land area and population size. New Jersey has 21 counties with a total land area of just over 7,500 square miles. There is significant variation in size; Hudson County has only 44.1 square miles, while Burlington has 819.3. Yet Hudson, the fourth smallest county in the United States, has a population of 608,000, while Burlington has a population of about 300,000. In other words, even in the extreme cases,

the combination of land area and population size would seem to be suitable. Most New Jersey counties are in the 300-500 square mile size range and have a population of between 100,000-350,000.

While there may be counties which are so large in area or in population that there must be a strong attempt to keep services local, there are no counties which are so small in size that they cannot perform area-wide services themselves or in cooperation with other large units of government.

Second, in terms of fiscal resources, there also seems to be a wide range of resources, with some counties having per capita equalized valuations in the \$4,000 range (rather like our older cities) while other counties are in the high \$8,000 range. Most, however, are in the \$6,000-7,000 range. At present, much of the counties' resources are devoted to providing funds for state services whose financing has been mandated to the counties. The Commission proposes later in this report that counties will never achieve fiscal adequacy until the financing of such services as welfare and judicial administration is assumed from the county to the state level, thereby alleviating part of the present inordinate burden on the local property tax and on municipal and county finance. If such action is taken, the county would have sufficient resources to undertake the locally-oriented programs which are so necessary today.

So far we have dealt with the physical resources of the county as a unit of territory. In general terms, one must also remember that the county unit is one which has roots deep in New Jersey's history and political traditions. The county in New Jersey is so strong a political unit that it could not easily be abolished, as was done in Connecticut, without substantial changes in the entire governmental system.

The county has been a basic unit of government for 300 years here. Our legislature, our municipal and state government, and even charitable institutions and other groups, have long organized along county lines. There is little doubt that the county is the cornerstone political unit as well. All party political activity is organized along county lines, and county chairmen are key political figures. In fact, it is fair to say that even if a suitable alternative to the county were chosen, the county would necessarily continue in existence. Over the years many professional experts on government have advocated the abolition of county government, but in the opinion of this Commission the abolition of county government in New Jersey is politically impossible and administratively unwise, since one would have to find an area-wide substitute which, when put together, would be quite like the county in terms of potential attributes, and which, without a highly developed political system, could have neither power nor effectiveness.

The county unit, then, seems in potential to have almost all of the necessary attributes for area-wide performance of services and for becoming an effective partner in a creative local government system.

The county as structured today, however, suffers from many significant problems and shortcomings, with which the remainder of this report will deal. For purposes of analysis, we have divided these problems into four chapters, each of which deals with a major problem area:

The Legal Adequacy of County Government

The Fiscal Adequacy of County Government

The Structural and Administrative Adequacy of
County Government

The Political Adequacy of County Government

Following this analysis of county government today, the Commission describes a series of proposals and recommendations aimed at strengthening and improving not only county government, but the entire local government system in New Jersey.

CHAPTER II

The Adequacy of the Legal Status and Powers of New Jersey Counties

The County as a Royal Agent

The shape of county government today is in large measure due to the role the county played in English and Colonial American government. For almost 800 years before the founding of the United States, the county or shire was a royal agency in England. It was a district designated by the monarch to facilitate the administration of justice, the collection of taxes and the accomplishment of other royal purposes. Thus, unlike boroughs and other municipalities created at the wishes of their inhabitants, the county was a creature of the central government, imposed on the people as an administrative agency of the monarch.

The role of agent implied two things: first, that the county was not a self-governing unit or general government; second, that its responsibilities were assigned to it by the central government for the monarch's convenience. In the American colonies, the tradition continued. James Collier describes the origins of the New Jersey counties:

“When the English colony of New Jersey was organized, the founders were familiar with counties as royal instruments. Their experiences laid the foundation for a policy of county subordination to the central government. This tradition inherited from Britain has resulted in counties becoming the local agents of the State.” ¹

The Evolution of County and Municipal Legal Powers

In purely legal terms, local government did not fare well at the hands of 19th Century judges. The courts of the 1800's tended to view the role of municipalities and counties as being a narrow one, with only delegated powers, with little or no innovative or original powers and therefore with little control over their own destinies, much less over the area and citizenry they served.

The embodiment of this philosophy is known as Dillon's Rule—a statement in a treatise on municipal government written in 1872 by Mr. Justice Dillon of the Iowa Supreme Court:

“It is a general and undisputed proposition of law that a municipal corporation possesses, and can exercise, the following powers, and no others: First, those granted in express words; second, those necessarily or fairly implied in, or incident to, the powers expressly granted; third, those essential to the declared objects and purposes of the corporation—not simply convenient, but indispensable. Any

fair, reasonable doubt concerning the existence of power is resolved by the courts against the corporation, and the power is denied.”²

The effect of this principle was so far-reaching that in many states it was felt necessary to include a provision which specifically overruled this notion of strict interpretation of local government powers. The New Jersey Constitution of 1947, in Article III, Section 7, Paragraph 11, says that:

“The provisions of this Constitution and of any law concerning municipal corporations formed for local government, or concerning counties, shall be liberally construed in their favor. The powers of counties and such municipal corporations shall include not only those granted in express terms but also those of necessary or fair implication, or incident to the powers expressly conferred, or essential thereto, and not inconsistent with or prohibited by this Constitution or by law.”

The county, however, has consistently been viewed as having a narrower role to play in local government. As early as 1845 Chief Justice Roger Brooke Tanney said:

“The several counties are nothing more than certain portions of the territory into which the State is divided for the more convenient exercise of the powers of government.”³

Twelve years later, in 1857, the Ohio Supreme Court set forth what may be considered a classic statement of the difference between municipalities and counties. With only minor qualifications, this statement holds true today in New Jersey, and in many other states as well. The view is one which has been almost consistently followed during the past 110 years. It severely circumscribes the role the county can play in meeting today's problems.

*“A municipal corporation proper is created mainly for the interest, advantage, and convenience of the locality and its people; a county organization is created almost exclusively with a view to the policy of the state at large, for purposes of political organization and civil administration, in matters of finance, of education, of provisions for the poor, or military organization, of the means of travel and transport, and especially for the general administration of justice. With scarcely an exception, all the powers and functions of the county organization have a direct and exclusive reference to the general policy of the state, and are, in fact, but a branch of the general administration of that policy.”*⁴

While the 19th century judicial view of municipal powers was substantially muted as years passed, the view of the county has remained almost intact, except to the degree that it has been modified either by amendment to the state constitution or option charter and home rule legislation. As of 1967, there were 13 states in which some or all counties

had been given a measure of home rule ⁵—that is, a charter with a fairly broad grant of power for self-government.* The movement for optional county charters and home rule has been strong during the past fifteen years, and today over half of the nation's 108 counties with populations in excess of 250,000 have adopted some form of modern council-manager or council-executive structure.⁶

This change, however, is the result of legislation which many states, including New Jersey, do not have. For a New Jersey county to obtain a charter granting a measure of home rule, it is necessary to take the fairly cumbersome route provided by the 1947 Constitution—the Freeholders after holding hearings and passing a resolution, must petition the Legislature, which in turn must pass the charter by a $\frac{2}{3}$ vote in each house, and then the charter-approval question must be submitted to a binding referendum of the county's voters at a general or special election. The powers of county government in New Jersey are extremely limited, indeed insignificant, in comparison to municipal powers in the state.⁷

A Comparison of Municipal and County Powers in New Jersey

While the 19th Century municipality was subject to special legislation by the state legislature, and had to petition for a home rule charter as a county would today, its position has evolved significantly in the past 75 years. In general, it can be said that New Jersey municipalities have a significant degree of home rule today. They have police power under which they control public health, law enforcement, planning and zoning, tax collection and assessment, fire protection and other major services. Municipalities have had a fairly broad grant of power since the Home Rule Act of 1917.

In terms of internal reorganization, the Optional Municipal Charter Laws of 1950 ⁸ (generally known as the Faulkner Act) provided municipalities with a wide variety of optional forms of governmental organization. While the New Jersey Constitution does not explicitly give home rule powers to municipalities, the legislative grant of powers has been in effect for so many years, the range of responsibilities given to municipalities is so great, and the tradition of strong municipal government is so deeply rooted in New Jersey's history, that it is necessary to say that New Jersey is a strong home rule state, and that municipal government, in sharp comparison to county government, is by and large self-determining. Municipal government, in addition to having legal powers, also has power for internal reorganization and the adoption of modern forms of government to maximize efficiency and effectiveness. The county has neither power over itself nor over most problems confronting its residents. Without this power it cannot meet today's challenges.

* Throughout this report, the Commission implies and recommends that New Jersey counties be given limited powers for self-determination in administrative matters—as opposed to a broad grant of legislative powers such as that enjoyed by municipalities. While additional grants of legislative power may be desirable in the foreseeable future, the Commission feels that at present legislation for county government should concentrate on the structural and administrative problems before delegating substantial legislative power to the counties.

The County's Legal Status Today

While the 1947 Constitution did expressly overrule Dillon's Rule and require that the judiciary look favorably on broader powers for local government, this exhortation has not had great effect on the legal status of counties.

Perhaps the best example of the county's legal inadequacy is found in the case of *Bergen County v. Port of New York Authority* (1960).⁹ In this case, the county sought to sue the Port of New York Authority because the Authority had built a complex in a Bergen County municipality, leased it for 20 years to a private corporation and then arranged to make payments to the municipality *in lieu* of taxes. This arrangement had the effect of removing the land from the county tax rolls. The county came to court claiming that it had a right to sue because:

1. it was deprived of tax revenues by this agreement;
2. the agreement should be overturned because the county had been given a role in promoting industrial development and the county had not been consulted and, in any event, opposed the project; and
3. the county was the guardian of all its citizens' interests (or *parens patriae*), and therefore it could seek to overturn the agreement to protect the citizens' right to have the property added to the county tax rolls.

The Supreme Court of New Jersey decided against the county by a vote of 5-2. The majority opinion held that the County of Bergen had no right or standing to sue for the following reasons:

1. The county has no power to tax individuals but merely levies taxes against taxing districts or municipalities.
2. The county has only a secondary role in attracting industry and no power.
3. The county is not given broad power to protect its citizens' interests.

The language used in the opinion is more than revealing; it flatly affirms the 19th Century view of the county's legal status and makes abundantly clear the difference in powers between municipal and county government in New Jersey. In analyzing the county's financial interest in the municipality's not taxing the property, the court said:

" . . . the County's (financial) interest is indirect and rather remote . . . the Legislature placed the official responsibility in the municipality rather than in the county. It is the assessor of the municipality who makes the assessment . . . Appeals are authorized to be prosecuted only by taxpayers and taxing districts . . . The county thus is not among those legislatively determined to be parties in interest."

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In other words, the court held that the county was not a taxing district and had only an "indirect and rather remote" financial interest. *In 1960 the County of Bergen collected over \$13 million in tax revenue from the local property tax.*¹¹

The court rather quickly went on to show that the only power the county had in industrial development was the power to *advertise* the advantages of the county and that in industrial development "Broad powers . . . are vested in municipalities rather than in counties."

Finally, and most important, the court dealt with the relationship the county has to its citizens. The court starts from the premise that the Board of Freeholders are not in a general sense "fiduciaries and trustees of the public weal" but are only trustees or protectors of public interest for those powers assigned to the county. It then goes on to state the following, in terms strikingly similar to the 1845 and 1857 decisions quoted on previous pages:

"Nor is that authority (to act as a general guardian of public interest) implicit in the nature of county. Historically the county was solely a subdivision of the State constituted to administer state power and authority. It differed from a municipality in that, *whereas a municipality was created upon the request or with the consent of the inhabitants to act both as a body politic on behalf of the State and also as a representative of the inhabitants for their convenience in its so-called corporate or proprietary capacity, the county was on the other hand created by the State without regard to local wishes and solely to serve as a body politic.*"¹²

The court feels that some county *functions* are more discretionary and locally-oriented but—

"None the less, the county's powers are only those granted to it, and *the municipality remains the repository over the broad police power in local affairs.* The role of the county is still relatively more restricted. It surely does not embrace a guardianship of the public right to prevent other agencies of government from exceeding their powers. . . ." ¹³

In other words, the county is not a general government in any sense. From a purely legal view, it does not even have power to tax its residents, much less to legislate on their behalf, to provide vital services on its own initiative, to reorganize its structure, and do all the other things which municipal governments can do for themselves and their inhabitants.

Problems Created by Inadequate County Powers

To the layman, legal distinctions often seem unimportant and somewhat trifling. Unfortunately, precisely such legal niceties often prevent the county from taking the action it would like to take to solve problems.

By way of example we cite the 1968 case of *Zweig v. Bergen County Board of Chosen Freeholders*.¹⁴ In that case one of the questions at

issue was: to what extent can the Freeholders give to a professional county administrator the power to supervise many of the county's activities and to reorganize or redirect the county's administrative services to produce greater efficiency and effectiveness. In the *Zweig* case the Freeholders had created the office of county administrator (a post authorized by a 1967 state law) and had given the administrator a wide range of powers and duties. Basically, the powers and duties were of three types:

1. *Non-Discretionary Administrative*: preparation of a budget, the right to speak at Board Meetings, the right to sign contracts the Board had approved.
2. *Discretionary Administrative*: the right to appoint temporary citizens' committees; selection of the repositories of county funds; the right to order any county agency to undertake temporarily work from another agency; the right to investigate any county agency; the right to act as hearing officer for the Board in personnel or public bidding hearings.
3. *Policy Making*: power to appoint, suspend, discipline, supervise all department heads and employees in the county administrative service; power to direct and supervise all internal reorganization of county government; power to set personnel policies for the county.

The court in this case held that only the non-discretionary administrative functions were clearly within the power of the Board to delegate. The reason was simply that the Board of Freeholders, being a body wholly created by and dependent on the legislature, could not delegate powers to an appointed official without specific legislative permission to do so.

As the following text of the legislature's authorization for the post of county administrator shows, the legislature seems to have intended a fairly broad grant of power, with the powers of the administrator being left to the Freeholders to determine in light of their needs.

"The Board of Chosen Freeholders . . . may create the office of county administrator to act as the executive officer for the board to have such powers, perform such duties and to receive such compensation as the resolution creating such office shall provide and as may from time to time otherwise be directed by the board of resolution." ¹⁵

Given the constitutional statement that legislation affecting the powers of counties should be interpreted liberally, and given the legislative intent here, it seems somewhat harsh for the court to construe county powers so narrowly. Nevertheless, the court in the *Zweig* case quotes extensively from the *Port Authority* case cited previously to show that the county's powers are so limited, and so well defined by statute, that unless the legislative permission to create an office and give it certain powers is crystal clear, the courts cannot rule in favor of the county. Thus,

even where one might presume the legislature meant to give the Board of Freeholders some flexibility in solving their internal problems, one must still hold against the county because it is not a general government, has no general or implied powers and is completely the creature of the legislature and agent of the state.

Thus, the legal status of the county is most important in discussing improvement and strengthening of county structure. In this case, the change was sought by the Freeholders of the county themselves, and it was endorsed by many individuals and groups, and in fact there are now four county administrators in New Jersey. This change might have been of immense benefit if the Freeholders had been able to give the administrator the kind of duties he has in our modern municipal governments, and in modern county governments around the nation; but because the legal status and powers of the county are so tenuous, this was impossible.

As one county administrator has said, "It is a ridiculous situation; as administrator all I can do is to recognize and point out problems which we might solve if we had the legal power to do so, which we don't."

Confusing Statutes and Archaic Disarray

Anyone wishing to examine the legal status and powers of county government in New Jersey faces a great task. As one scholar put it:

"The county government does not rest on a charter and in the absence of such a charter, the only recourse which the student may possess is the laws. These are unsatisfactory guides to the average person for the reason that they are so numerous and in many cases so unrelated that one can only with difficulty locate exactly the defects in the county administration and fix responsibility."

That observation was made by Earl Willis Crecraft in 1913;¹⁶ it is at least as true today, and by comparison to municipal law, which has been greatly improved in the intervening years, the remark is even more poignant. Since the county is not a general government and is legally a limited agent of the state, all its powers, from the levying of taxes to the power to contribute to blood banks, must be found in specific statutory grants or acts of legislature. These laws are so numerous, unrelated and widely scattered that it is extremely difficult to make any rational pattern from them, as the brief examination of them below indicates.

The Classification of Counties

In the early 19th Century it was permissible for the legislature to pass laws relating only to one county. For example, a law might have said that Middlesex County could employ a county engineer. Unfortunately, this process of special legislation was often used as a clout by the legislature to deprive a county or municipality of powers or revenues. In 1875 the people of the state approved an amendment to the 1844

Constitution which prohibited the legislature from enacting “. . . private, local or special laws . . . regulating the internal affairs of towns or counties . . .”¹⁷ The 1947 Constitution prohibits it, except on petition of the county or municipality involved.¹⁸

As a means of circumventing this prohibition of special legislation, the legislature began to pass laws for counties by classification in 1883. The classification of counties is supposedly to be based on rational criteria. The present classification is as follows:

- First Class: Counties of over 600,000 population not bordering on the Atlantic Ocean.
- Second Class: Counties between 200-600,000 population not bordering on the Atlantic Ocean.
- Third Class: Counties between 50-200,000 population not bordering on the Atlantic Ocean.
- Fourth Class: Counties less than 50,000 population not bordering on the Atlantic Ocean.
- Fifth Class: Counties over 100,000 population bordering on the Atlantic Ocean.
- Sixth Class: Counties less than 100,000 population bordering on the Atlantic Ocean.¹⁹

As the examples below will show, the classification system above is not only outdated, it is usually not used, except perhaps to facilitate legislation. The net effect of the classification system is to confuse and hamper the development of county government. The need for picayune legislation should be obviated by replacing the present system with a broad legislative grant of home rule, so the county may set its own house in order and not have to call on the state legislature to do the job.

As an example of the kind of law the present system puts into statute books, we cite the following:

“When any person holds employment under the Board of Chosen Freeholders in any second-class county, and such person has civil service status as an assistant superintendent of the county department of weights and measures, and such person is an honorably discharged veteran of World War I and, by temporary transfer, occupies the position of assistant county purchasing agent of said county and has held such position for a period of five years, such person shall be permanently transferred to the position of assistant county purchasing agent of said county when such permanent transfer is approved by the Board of Chosen Freeholders of said county, and, thereupon, such employee shall hold said position with permanent civil service status.”²⁰

The books are filled with such trivia—“general laws” which should have been passed by the Board of Freeholders rather than by the legislature.

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In many instances the classification has made rather trifling and confusing distinctions. Take for example the following digest of the statutes authorizing morgues and morgue-keepers. As a guide to the lawyer, much less the average person or official, it leaves something to be desired.

NJSA 40:21–30.17 *The Board of Freeholders may appoint not more than 6 places as morgues and may appoint one or more morgue keepers for a term of 5 years.*

In counties of the Second Class, not having a medical examiner, the term of the keeper will expire when a medical examiner is appointed.

NJSA 40:21–31 *In counties of the Second, Third, and Fifth Classes, the Freeholders may appoint a keeper or keepers for a term of three years, specifying their districts; the Board may remove the keeper at their pleasure (in spite of his three-year term) and appoint another for a three-year term.*

NJSA 40:21–32, 33 *The county judge (or judges) of any county except a county of the First Class having a chief medical examiner, and counties of the Second, Third, and Fifth Class having morgue keepers appointed by the Freeholders, may designate not more than 4 places as morgues and morgue keepers for terms of three years.*

Another problem with the legislature's having to enact such laws is that when a county needs or wants permission to undertake a function or service, it may request the law only for its own county, or class, rather than seeking the support of all counties. Thus, there are laws which, while specifically related to one class of county, should be broadened to be available to all counties. A perfect example is NJSA 40:23–6, 26, which permits all counties of over 500,000 to contract with municipalities to provide municipal services. Parenthetically, we might note that this law, like most legislation of the past two decades, ignores the Atlantic Ocean distinction and classifies counties only by population. Such laws as this should be available to all counties, since in rural areas the need to provide municipal services is even greater due to the sparse populations and large areas which discourage single municipalities from providing needed services. While we have 66 statutes authorizing county-municipal cooperation, the above statute is the only one which authorizes the county to provide municipal services.²¹ The rest for the most part deal with specific if not minute situations such as the one below:

“In counties of the second, third and fifth classes in which there is a stone quarry and a stone crusher operated in connection therewith,

owned and worked by the county, the Board of Chosen Freeholders shall furnish and supply therefrom, free of cost, towards the making, working, mending and repairing of the public roads and highways in the municipalities of the county, and the roads and walks in public parks of such municipalities, whether the same be within or without the municipal limits of the municipality, excepting improved county roads, such quantity of crushed or broken stone, and of such size or sizes, as shall be requested by such municipalities, as hereinafter provided.”²²

In some cases, the classification system has accomplished nothing whatsoever. For example, there is specific statutory authorization only for counties of the first class to appoint county counsels and engineers, and for counties of the second, third, fourth and fifth classes to appoint fire marshalls.²³ Yet county counsels and engineers appear in all counties of all classes, and some first class counties have fire marshalls. The presence of these officials where they are not specifically authorized can be explained by a statute which gives the Board of Freeholders power to appoint whatever other officers, agents, or employees as may be necessary to execute the powers conferred on the Board of Freeholders.²⁴

Perhaps the most telling observation on the official classification system, even disregarding the abuses, the harmful effects, and the cumbersome, is the fact that the legislature in the past fifteen years has tended to bypass it in favor of classification only by population. Similarly, when legislation effects shorefront counties, the term “counties bordering on the Atlantic Ocean” is used instead of “counties of the fifth and sixth class is used.”²⁵

Given the size of our county governments today, even the smallest of them should be free to regulate itself to the same degree that the smallest municipality within the same county is. A broad grant of administrative and organizational powers would obviate the need for this awkward and archaic system and would give the county’s elected leaders the power to deal with problems, especially organizational matters, at the county level rather than having to put them before the elected representatives of the whole state.

County Government’s Need for a Broader Legal Base

County development during the past few decades clearly shows that counties and Boards of Freeholders have made noticeable strides toward assuming greater responsibility for performing area-wide services and meeting many needs which county residents and leaders felt could not otherwise be met. Growing county activity in areas like public health, sewerage, drainage, soil conservation, recreation, transportation, education, planning and economic development attest to county government’s desire to step in where it is needed.

But the county's legal powers and status present major problems. Its present legal base is so narrow that it often cannot act as fast or as fully as it would like. As one Freeholder put it:

"It is my impression that the amount of legislative authority held by the Freeholders is practically nil and that we are strictly an arm of the State government with the responsibility of administering those responsibilities assigned to us by the State Legislature."

If the county is to play a wider role in local government, it must be given adequate legal authority. Specifically, we see the need for legal powers in the following areas:

1. *internal reorganization*—with the power not only to reorganize or consolidate departments but to centralize functions now performed by autonomous boards, agencies and commissions where desirable;
2. *regulatory jurisdiction*—the power to play a greater role in a wide variety of service areas such as air and water pollution and traffic control, which cannot be handled effectively by the state alone; also the power to acquire contractual enforcement or regulatory powers in the performance of area-wide or interlocal service agreements;
3. *cooperative powers*—a broad grant to enable counties to enter into full partnership with municipalities in providing municipal or interlocal services in areas such as health and law enforcement and in meeting needs which municipalities cannot meet themselves and which they feel the county could efficiently and effectively help to meet;
4. *area-wide services*—with legislative authorization for restructured counties to undertake new or expanded programs such as county recreation or transportation services, and the administration of other area-wide or interlocal services.

Opinions of Municipal and County Officials

Both municipal and county officials recognize that the county has an important role to play in local government. Seventy percent of all mayors polled by the Commission said that the county had been making strides toward meeting area-wide needs, and that there was a vital role for the county in local government. Similarly, the Freeholders polled by the Commission indicated that they wanted and needed more legal authority to act. Over 90 percent, for instance, said the county should have the legislative authority to cooperate with municipalities in providing services, including municipal services, on a voluntary contractual basis. Over 88 percent said they should have the power to pass legislation and to determine what new services or functions the county should undertake; and 98 percent said the county should have a role in determining and regulating area-wide service units, such as special districts and authorities.

In other words, the leaders of municipal and county government recognize the need for a locally-oriented, self-determining county unit to meet the problems of today.

Conclusions

The Commission finds that:

1. *The county at present has virtually no real power over its form of organization, its ability to undertake new functions and, in many cases, even to oversee effectively the performance of present county functions.*
2. *The present method of legislative classification and of authority over the minutest details of county government is on one hand time-consuming and unnecessary for the state legislature, and on the other it is debilitating home rule and local government in this crucial period.*
3. *If the county is to assume the role which county and municipal officials feel it should, and if it is to be an effective instrument of local government, it must be given broader powers for self-determination as to its internal organization, its functions and the role it will play in its own area.*

CHAPTER III

The Fiscal Adequacy of New Jersey Counties

The Early County: A Limited Agent of the Central Government

As the chapter on the county's legal status pointed out, the county's role was different from that of municipalities, in that the county was created solely as an administrative convenience for the monarch or central government. It was instituted to simplify the problems of administering central government services, especially the dispensation of justice, the collection of taxes and other services which could not easily be conducted directly by a central government in a distant capital. Thus, since the county was created to serve the needs of the central government, the services it performed were those mandated to it by the state, and the money it raised was spent for these state tasks.

In colonial times the county was in fact a branch of the court. The judges were the leaders of the county government, such as it was. Their main role was law enforcement and adjudication, combined with the levying of taxes which might be used for such purposes as building roads, aiding the local militia and paying court expenses. Action was usually taken by the judge and a grand jury. In time, the grand jury was replaced by a panel of elected freeholders (a term originally indicating property ownership). The growth of the Freeholders' duties and the increasing press of judicial business eventually led to the rise in importance of the elected Freeholder, and in 1798 the Freeholders became the heads of county government, with essentially the same rights and duties they have today. In many important respects, the structure, powers and fiscal responsibilities of county government have not changed in 200 years; they have just grown astronomically.

Most of the new responsibilities the county has assumed are related to services of area-wide or statewide scope or impact. During the latter part of the 19th Century the county began to expand its role in social services and welfare, both by assuming responsibility for what had been private institutions and by assuming, at the state's direction, the administration of state and, later, federal programs. As the coming pages will indicate, this role in welfare and social services is a severe burden on county finances. In 1917, the county moved into the area of vocational education. It has since become involved in special education and lately in county junior or community colleges. Over the past few decades, it has also entered such fields as planning, drainage, soil conservation and mosquito control. Earlier in the century, park development, library services and agricultural work had been taken on. In 1965, the New Jersey Association of Chosen Freeholders listed 3,788 separate services provided by county

government.¹ While many of these services demand comparatively small expenditures of human and fiscal resources, their diversity is impressive.

The most costly services are those which the county provides as an agent of the state. Welfare and social assistance, judicial administration and correctional, probationary and penal expenditures consume far more of the county's resources than do the newer and more locally oriented services like health, planning and education.

The Costs of Present County Services

In 1967, the counties of New Jersey spent over \$361 million. This is equal to 82% of all expenditures for municipal services by the 567 municipalities in the state. This sum is especially impressive in view of the fact that in 1959, 8 years before, New Jersey counties spent only \$180 million—half as much as they did in 1967.² As the following table indicates, county expenditures are growing almost 50 percent faster than municipal expenditures.

TABLE III-1		
GROWTH TRENDS IN COUNTY AND MUNICIPAL EXPENDITURES ³		
A. TOTAL EXPENDITURES (SERVICES, CAPITAL AND STATUTORY EXPENDITURES)		
	<i>Municipal</i>	<i>County</i>
1959.....	\$428,098,222.96	\$180,932,473.25
1967.....	\$700,992,482.87	\$361,816,663.60
Increase.....	64%	99.9%
B. SERVICES ONLY		
	<i>Municipal</i>	<i>County</i>
1959.....	\$350,248,919.99	\$162,827,572.17
1967.....	\$582,439,688.94	\$315,550,943.42
Increase.....	66%	94%

It is clear that in absolute as well as relative terms county expenditures are of major importance. In discussing county expenditures, it is important to distinguish between those mandated functions which the county traditionally performs as a state agent and those discretionary functions which it performs as an area-wide unit for the primary benefit of its residents. The latter type of function or service is most important to the work of the Commission and to the development of the strong local government which New Jersey needs.

In its first report the Commission recommended that each level of government be responsible for financing or performing those tasks for which it is best suited, and that the state government in particular begin to lessen the heavy local property tax and assume fiscal responsibility for all functions of statewide scope and impact. As the following pages will show, the ability of county government to meet its citizens' need in major areas such as health, special education, drainage and other locally oriented and area-wide services is in great measure dependent on freeing the county tax base of many of the traditional state agency functions.

The distinction, which we shall make in the coming pages among county services, rests on this criterion:

If the function is one which mainly benefits the state as a whole, and its performance is completely regulated by the state or performed by state officials at the county level, the costs of the operation should be assumed by the state, for it is a state function.

<div>TABLE III-2</div> <div>MANDATED FUNCTIONS: EXPENDITURES BY ALL COUNTIES, 1950 AND 1967⁴</div>		
	1950	1967
Board of Taxation	\$253,317	\$881,950
Child Welfare	3,673,227	7,644,374
County Clerk	1,925,889	3,893,733
County Register	548,222	1,000,579
County Surrogate	698,312	1,602,514
County Welfare Board	2,873,566	43,660,855
Elections	2,614,195	6,572,111
Jail	3,013,427	11,146,380
Judiciary	6,358,923	24,431,672
Medical Examiner	230,685	820,676
Mental Health	9,451,758	43,226,695
Mosquito Extermination	738,483	3,592,822
Probation Department	1,012,151	6,281,918
Sheriff	911,764	3,875,870
Statutory Expenditures	2,006,790	16,753,670
Superintendent of Schools	150,256	647,156
Weights and Measures	172,440	535,410
Total	\$36,633,405	\$176,568,385
% of Total County Functional Expenditures	45%	56%

In 1967 these expenditures mandated by the state accounted for 56% of all county expenditures—this figure does not include important overhead costs and capital costs, such as a capital issue for a new courthouse, which can reasonably be attributed to a state mandated function. Yet, while state mandated expenditures have risen from \$36 million to \$176 million since 1950, state *aid* to help finance these functions has only risen from \$13 million in 1950 to \$34 million in 1967. In fact, state aid as a percentage of county revenue has actually dropped from 13.5% in 1950 to 9.3% in 1967. Thus, as state services became more costly, the municipal and county share of the cost rose sharply. This has placed a serious strain on the local government system (see Figure III-1, p. 23).

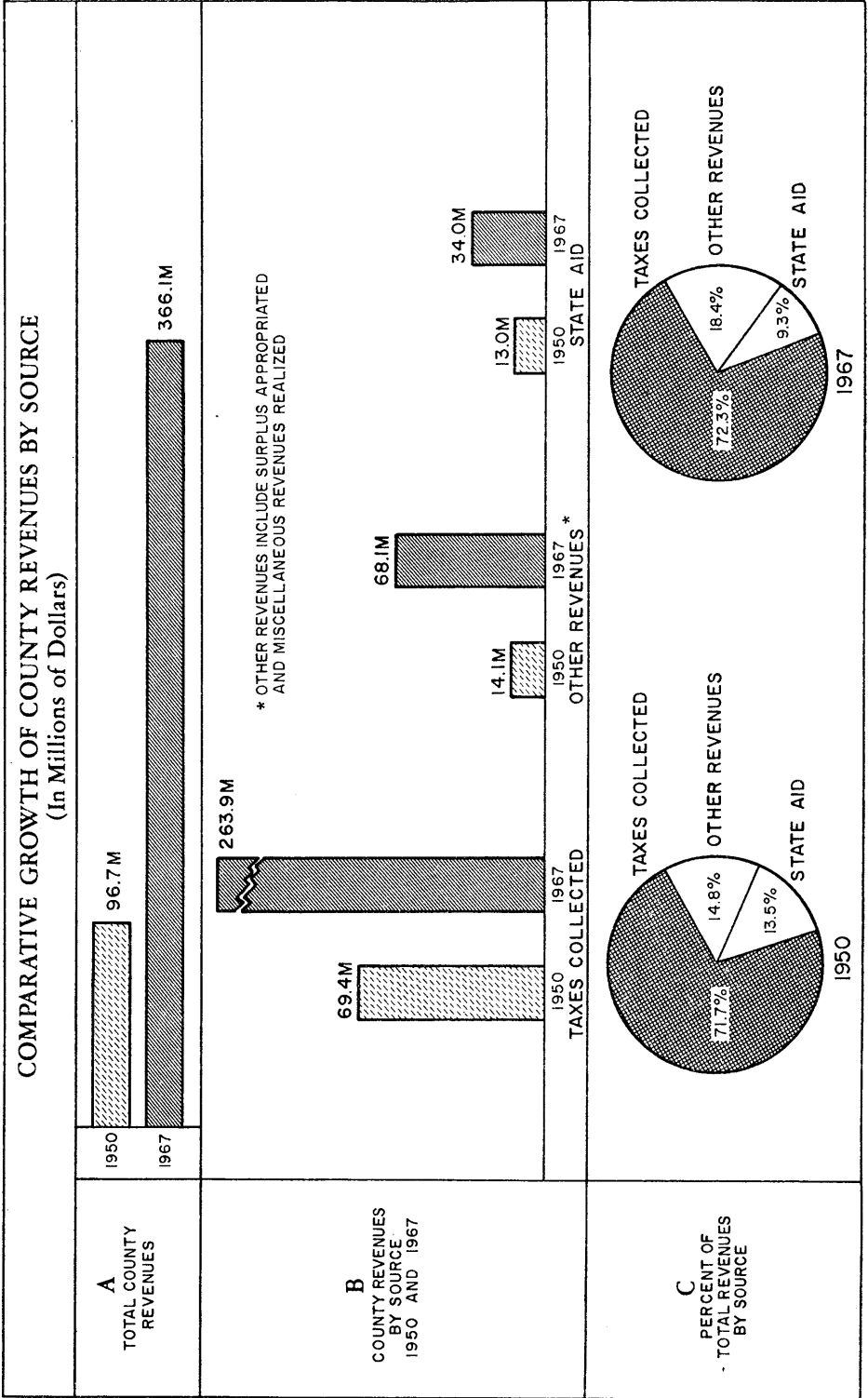
At a time when local government is facing severe problems, many of them beyond the capacity of individual municipalities or groups of municipalities, the bulk of the county's resources are consumed in the performance of state functions, tasks which are properly the fiscal responsibility of the state as a whole and not of local government.

Over the past decade, counties have tripled their expenditures for local services such as county planning, vocational schools, junior colleges, shade tree commissions, and park commissions. They have made an effort to begin meeting interlocal and area-wide needs. Yet between 1950 and 1967 the percentage of the county budget devoted to state functions rose from 45 percent to 56 percent. In other words, growth of state mandated functions far outstrips local services. Thus, absent sufficient state aid, the county's fiscal capacity to undertake new services, or to expand existing local services, is severely limited.

In some measure this is due to a rise in welfare costs, but almost all state mandated expenditures have risen alarmingly. By way of example, the following chart shows that counties of every type seem to have undergone the same rise in mandated costs.

TABLE III-3		
MANDATED FUNCTIONS: PERCENTAGES OF TOTAL COUNTY EXPENDITURES, 1950 AND 1967 ⁵		
County	1950	1967
Essex	44%	66%
Middlesex	30%	40%
Atlantic	37%	55%
Warren	29%	42%
All Counties	45%	56%

FIGURE III-1



The fact that these mandated expenditures consume an even larger share of the county's budget is also evident from the following chart showing that while expenditures for three important local services tripled in twelve years, their relationship to the entire budget remained virtually static.

TABLE III-4				
TWELVE YEAR GROWTH OF SELECTED LOCAL SERVICE EXPENDITURES, 1955 AND 1967 ⁶				
<i>Service</i>	<i>Year</i>	<i>Expenditures</i>		
		<i>Amount</i>	<i>Per Capita</i>	<i>% of Total County Functions</i>
Vocational Education	1955	\$2,092,330.50	\$.39	1.86%
	1967	6,801,756.17	.96	2.10
Shade Tree Commission	1955	207,544.40	.04	.002
	1967	776,166.58	.11	.002
Park Commission	1955	3,842,638.91	.71	3.4
	1967	11,753,670.22	1.64	3.7

The simple fact is that the mandated expenditures are so large in dollar amounts and percentages that they overshadow the locally oriented functions.

TABLE III-5				
FIVE YEAR GROWTH OF SELECTED MANDATED EXPENDITURES, 1962 AND 1967 ⁷				
<i>Function</i>	<i>Year</i>	<i>Expenditures</i>		
		<i>Total</i>	<i>Per Capita</i>	<i>% of All County Expenditures</i>
County Welfare Board	1962	\$22,050,551.86	\$3.46	10.8%
	1967	43,660,855.54	6.17	13.8
County Courts	1962	7,704,939.96	1.21	3.8
	1967	13,286,686.53	1.88	4.3
Child Welfare	1962	3,775,293.11	.59	1.8
	1967	7,644,374.75	1.08	2.5

In comparing the two charts on the previous page one must remember that this rise in mandated expenditures covers a *five* year period rather than a twelve year period. Thus, it is plain that: 1) the expenditures for mandated services are growing almost twice as fast as those for local services in relation to the total county budget; 2) the dollar amounts involved in the mandated functions are so large that they obscure the relatively small amounts involved in local services expenditures. The 1962-1967 rise in welfare costs alone equals almost \$22 million, as compared to the \$23 million spent in 1967 by all counties for *all* their educational and recreational expenditures.

Special Implications of Mandated Costs for Urban Counties

New Jersey's most urgent problems, of course, are those of urban areas. These problems include the crisis of the center cities, but they also include air and water pollution, drainage and flood control, traffic and transit, law enforcement and the financing of education, including the replacement of old facilities. In other words our cities, older towns, residential suburbs and other built-up areas face the greatest problems and must do so with relatively shrinking tax bases. For most municipalities in this group, the ability to meet needs from property-tax revenue is coming close to a saturation point. By way of example of the crisis in municipal revenue, the following table shows that in *two years there has been a 157% increase in the number of municipalities with true-value tax rates of over \$3.00 per hundred.*

<div>TABLE III-6</div> <div>COMPARISON OF MUNICIPAL TAX RATES, 1966-1968</div> <div>(Based on per \$100 of True Market Value) ⁸</div>				
Tax Group	MUNICIPALITIES			
	1966		1968	
	Total Number	Percent of Total	Total Number	Percent of Total
Above \$3 per \$100	118	20.81%	304	53.62%
Between \$2.25 and \$2.99	274	48.32%	187	32.98%
Below \$2.25	175	30.86%	76	13.40%

As the Commission's first report indicated, the municipalities with tax rates of above \$3.00 tend to be considerably smaller and much more densely populated than those with the lower tax rates.⁹ Thus, in the older urbanized areas of the state the present property-tax rate is at a dangerous level. At the same time, the base on which taxes may be levied is shrink-

ing in the urban areas, as the chart below indicates, relative to the tax base in the more recently developed suburban counties.

During this period 1960-1966, for instance, the per capita true valuation in Essex County rose by 21.37 percent; during the same period it rose by 24.91 percent in Union County and by 27.43 percent in Morris County. The population growth during the same period was 3.3 percent, 11.8 percent and 30.6 percent, respectively. In terms of dollars, the differences are significant.

TABLE III-7		
AVERAGE PER CAPITA TRUE VALUE FOR NEWARK STANDARD METROPOLITAN STATISTICAL AREA, BY COUNTY ¹⁰		
County	1960	1966
Essex	\$5,842	\$7,091
Union	\$5,962	\$7,448
Morris	\$6,241	\$7,953

The real-dollar gap between Essex, already close to maximum density in 1960, and rapidly growing Morris, went from just under \$400 in 1960 to almost \$800 in 1966. These figures are county-wide averages, and the situation in the state's oldest urban municipalities is considerably worse. In counties such as Essex, Hudson, Passaic, Union, Camden and Middlesex, expenses for mandated functions such as welfare, courts and probation and child welfare are particularly high. Since these functions are paid for by the county, and since the mandated costs are proportionate to the urban problems (i.e., welfare depends on the number of poor, courts and probation on crime, etc.), it is clear that those counties with the greatest problems must under the present system also pay the largest bills for state services.

In our older urban counties, this means that at a time when a municipality needs the most resources to avoid decline—at a time when it must replace schools and sewage systems, widen roads, and make other improvements to maintain itself as a desirable place to live,—the county tax levy is also at its highest point. For under the present system those municipalities and counties with the greatest problems are asked to shoulder the greatest financial burdens. The following table illustrates the cost differential between the older urban counties and the wealthier suburban counties, and thus the relative burden placed on older and relatively poorer municipalities in the urban counties.

TABLE III-8

PER CAPITA EXPENDITURES FOR CERTAIN MANDATED FUNCTIONS IN
SELECTED URBAN AND SUBURBAN COUNTIES, 1967¹¹

Mandated Function	Essex (Urban)	Morris (Suburban)	Passaic (Urban)	Bergen (Suburban)	Camden (Urban)	Burlington (Suburban)
Child Welfare	\$1.47	\$.68	\$1.67	\$.68	\$1.47	\$.90
County Courts	2.75	.97	2.31	1.53	1.37	.79
County Welfare Board	16.34	2.24	7.33	1.89	6.22	2.27
Probation	1.74	.74	1.23	.59	.57	.54

Conclusions

It is clear from the facts presented that the financing of major state-mandated functions by the county has a thoroughly debilitating effect on local government because:

- 1. It consumes a share of county resources so large and ever-expanding that the county cannot begin to deal with area-wide and inter-local problems as it should.*
- 2. It places the greatest burden for state functions on those municipalities which most need to expend their resources on municipal and interlocal revitalization, capital replacement and improvement of services.*
- 3. By thus overtaxing older municipalities and residential suburbs at a time when they are most vulnerable to decline and urban decay, the present system of mandating state-function costs to the county accelerates the spread of urban blight to older suburbs and creates even greater problems for the state.*
- 4. Since the county is responsible for raising these large sums for mandated functions from the municipalities it is in an invidious position and suffers the deep resentment and ill will of many municipal leaders.*

When we suggest relieving the county of these mandated costs, we are talking about tremendous sums—over \$180 million in 1967.

The Commission does not suggest that all these costs can be assumed by the state immediately, or even over the next two or three years. But if county government is to begin filling a desperately needed role at the middle level, if we expect our older municipalities to avoid the disaster which has befallen our core cities, if we expect to solve pressing area-wide problems, if we wish to have a system of local government which can guarantee a continuing high standard of life to New Jersey, the people

and leaders of this state must realize that they have to begin to pay now to defend their own future and their prosperity.

Substantial gains have been made in the past year, with the Governor's urban aid program, the 1968 Bond Issues, state assumption of part of the welfare program, and recommendations for a larger state role in the biggest single problem of local government, the financing of education. The hard and sad fact, however, is that the cost of government rises so fast in areas like education and welfare that even massive aid is of negligible long term effect. By way of example, let us take the case of welfare. In March, 1968, the Commission recommended that the legislature assume the entire cost of welfare, both categorical programs funded at the county level and general assistance funded at municipal level. Many other distinguished groups and individuals joined in this recommendation; in fact, it had been recommended by many for years. The legislature, rather than assume all the cost of payments and administration under the categorical program, voted to assume a 75% share of the categorical programs (with no assumption of administrative costs or of the cost of the general municipal assistance program). At the time it was thought that this would mean a saving to the counties of \$16.9 million.¹² But the rise in costs over the past year and those projected for fiscal year 1969-1970 indicate that the gain of this massive step forward will be negated within two years of its beginning.

TABLE III-9

THE EFFECT OF THE STATE'S ASSUMING 75% OF THE COSTS OF
CATEGORICAL PUBLIC ASSISTANCE PROGRAMS¹³

Categorical Assistance Costs to Counties in years when counties paid 50% of the cost of the programs:

Fiscal Year 1966-67	\$31,489,056
Fiscal Year 1967-68	\$44,267,112

Projected Categorical Assistance Costs to Counties with county paying only 25% of the cost of the program:

Fiscal Year 1969-70	\$45,345,000
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NOTE: From July-December, 1968, the counties paid 50% of the cost of categorical programs. From January-July, 1969, the counties paid only 25%. Had the counties paid 50% for the entire fiscal year, the actual cost would have been almost \$51 million, but with state assumption on January 1, 1969, the cost for the fiscal year dropped to just over \$46 million. Yet, for 1969-70, the first full year in which the counties will pay 25%, the cost will actually be higher than in 1967-68—the last full year for which the counties paid 50%. Thus, the rising costs of welfare have actually wiped out the beneficial effects of state assumption of half the county share. Within one year of that assumption, the counties will be spending more than they did in the year before it.

The conclusion is simple, if painful. The gains from piecemeal aid are only temporary, for rising costs bring local shares back to crisis proportions almost immediately. The only satisfactory answer from the point of view of local government must be complete state assumption of programs which are of statewide scope and benefit, and most particularly those where state employees or state supervised employees are performing state tasks with county money.

The present allocation of fiscal responsibilities is based simply on the fact that 300 years ago municipalities paid for such services as education and counties paid for such services as courts. If we honestly expect the institutions of local government to respond to today's problems, we must accelerate the process of bringing modern state financing to vital 20th Century services.

CHAPTER IV

Structural and Administrative Adequacy of New Jersey County Government

The Commission believes that there is need for a strong unit of government at the middle level in New Jersey, between the municipality and the state. The county is the logical solution *providing* it can be made adequate to the task.

Greater utilization of New Jersey counties makes sense in at least two ways: on the one hand, they are of sufficient size to transcend municipal boundaries and to facilitate appropriate responses to problems which are area-wide in scope; on the other hand, they are small enough and close enough to the people to be sensitive to differing local needs and wants.

However, it makes no sense to enhance the role of any unit of government if it is poorly organized and lacks the powers essential to deliver those services which it is otherwise ideally suited to perform. The Commission believes that New Jersey counties must be remodelled and strengthened so they can provide their constituencies with:

1. a legislative body capable of formulating and adopting new policies and programs as they are needed;
2. strong policy leadership by county elected officials;
3. qualified, professional administration, under strong central direction and accountable to elected county officials and thereby to county voters: a) to generate comprehensive program alternatives; b) to insure that county policy is administered effectively and efficiently; c) to insure that county operating and capital budgets facilitate appropriate program coordination, and the balancing of county resources and needs;
4. an integrated county organization with clear and simple lines of command and divisions of responsibility, so that the county can work as an efficient unit.

In essence, the four principles above can be restated as follows:

Power should be concentrated in elected officials who have at their disposal a qualified administrative staff to insure that what the elected officials set as policies and programs for the county will be put into operation with maximum efficiency and effectiveness.

There is no need to dwell on the desirability of concentrating decision-making power in the hands of elected officials. This principle is at the heart of democratic government. The fact that the elected official at the municipal and county level is closer to the voter than a governor or

congressman means that, if anything, he is politically more accountable. There are, however, many misconceptions as to the proper role of the administrator. In this study, we make the following assumptions about the administrator's role:

1. The administrator is accountable to elected officials. While he may generate policy ideas, suggest program alternatives, and even participate in the policy-making process—he does not authorize policy. The elected official makes policy.
2. The elected official establishes the substance of county programs and supervises county operations through the administrative staff. The Freeholder should be freed from routine administrative duties.

The importance of a professional administrative staff's working for the elected official is this: the administrative personnel are trained and full-time executors of the board's decisions. On one hand, this frees the board from many hours of detailed "housekeeping chores" and on the other it gives its members a staff to evaluate county programs, to control expenditures and to help the board examine any and all aspects of county government.

Inherent in the idea that elected leaders are better because they are politically accountable to the voters is the notion that the voter can fix blame or failure for specific programs, or at least that the elected official, in running on his record, can point to his legislative successes. It is also necessary that within each unit of government there be clear lines of authority, so that the elected officials can evaluate programs and policies. For every problem and program someone should have on his desk the proverbial sign saying "the buck stops here".

These ideas or principles are hardly original. At a national level, we have seen increasing concern of late in the problems of coordinating programs. The United States Bureau of the Budget has made strides toward trying to eliminate programs which conflict with one another, which duplicate one another or which have not been successful in accomplishing their purposes. The administrative problems in certain programs of the war on poverty indicate the need for greater professional supervision of program development and day-to-day administration.

Within New Jersey, we can point to similar preoccupations. For example, we are just now reaching the point where anyone in New Jersey can know with certainty how much money in federal and federal-state funds is being spent here, how it is being spent and on what. We have seen in the past few years increasing legislative interest in program evaluations to determine whether we are investing our limited resources wisely.

In terms of administration, of course, the 1947 New Jersey Constitution was a model of administrative integration. It brought the government of the state into a fairly cohesive whole. At the local level many municipalities have adopted Faulkner Act plans which have accomplished the same thing, and an even greater number have provided for administrators to help elected officials.

Thus, these principles are being implemented to a significant degree at the federal, state and municipal levels. They are *not* at the county level. The balance of this chapter will seek to show why these principles must be implemented in county government if the county is to assume a truly responsible role in New Jersey local government.

The Structural Defects in Present New Jersey County Government

As the chapter on the county's legal status and powers indicated, the county is almost entirely a creature of the state legislature. It possesses little or no power over itself or others, and can change neither its outward direction and the services it provides nor its internal organization without clear statutory permission.

This is not, however, the full extent of the problem. The few powers the county can exercise and the functions it does perform, are scattered among as many as 66 agencies with the Board of Freeholders—the elected supervisors of county government—having neither time nor in many cases the power to control or direct expenditures, policies and programs. The Commission has identified the following major weaknesses:

- A. lack of centralized authority and responsibility for the county in the Board of Freeholders;
- B. the great number, size and influence of autonomous and semi-autonomous boards, agencies and commissions;
- C. lack of a centralized budgetary process and the Freeholder's limited control of expenditures and programs;
- D. the role of the Freeholder—a role which the present structure has more or less forced on him;
- E. the need for professional central administration.

We shall deal with these areas of concern one by one.

A. The Lack of Centralized Responsibility in the Board of Freeholders

We have established that the county is not a general government in the same sense as the federal, state and municipal governments. It has few or no powers of home rule, and therefore its elected officials do not have the kind of power which is vested in elected officials at other levels

of government. There are areas in which the elected Freeholders, can exercise no authority over agencies and officials who are supposedly part of the county government.

Perhaps the best way to illustrate this is to categorize all county agencies and authorities. The classification might be:

1. Freeholder-run or administered;
2. run or administered by appointees of the Freeholders but dependent for authority on the Freeholders;
3. run or administered by appointees of the Freeholders, but in some measure independent of Freeholder control;
4. elected county officers independent of the Freeholders;
5. state officials heading county offices who may be appointed by or responsible to:
 - a. the Governor;
 - b. a state department head;
 - c. the courts;
 - d. any of the above plus a federal or other agency;
6. any combination of these.

The structure of county government in New Jersey, as indicated by the table below, is so fragmented that no one individual or agency has the combination of resources and legal authority to control and direct the county government as a whole. Even within single areas like social services or law enforcement or education, there is lack of centralization, and the Freeholders do not have the authority to exercise the necessary direction. Indeed, as the section on autonomous boards, agencies and commissions will show, the Freeholders have little or no control over some of the county's largest programs, both state-mandated and locally oriented. Table IV-1 shows the 68% of county employees and 79% of county functional expenditures (for services) are *not* controlled by the Freeholders.

One could fill pages with the intricacies of county structure, but for the purposes of this report it should suffice to show that the Freeholders do not have power to control the official activities of the overwhelming majority of county agencies.

In addition, in some areas they have some powers but lack others that are essential. For example, the Freeholders appoint and set the salary of a County Superintendent of Weights and Measures, and provide him with assistants, offices and facilities. Yet, he is a *state* official who is directly responsible to the State Superintendent of Weights and Measures in Trenton.

TABLE IV-1
BUDGET AND PERSONNEL OF FUNCTIONS NOT CONTROLLED
BY FREEHOLDERS¹

<i>Classification</i>	<i>Expenditures</i>	<i>Number of Employees*</i>
<i>I. General Government</i>		
County Clerk	\$ 3,893,733.	794
County Surrogate	\$ 1,602,514.	244
County Register	\$ 1,000,579.	25
<i>II. Judiciary</i>	\$24,431,672.	1,985
(includes general county courts, districts courts, prosecutors' offices, jury commissions and law libraries)		
<i>III. Regulation</i>		
Sheriff's Office	\$ 3,875,870.	1,154
Board of Taxation	\$ 881,950.	129
Chief Medical Examiner	\$ 820,676.	54
Election Board	\$ 6,572,111.	469
Shade Tree Commission	\$ 776,166.	100
Weights and Measures Department	\$ 535,410.	66
<i>IV. Health and Welfare</i>		
County Board of Health	\$ 2,331,353.	240
County Welfare Board (including Child Welfare)	\$51,305,229.	2,535
Tubercular Patients	\$10,694,809.	484
Mental Health	\$43,226,695.	640
County Aid to General Hospitals	\$ 7,773,047.	...
County General Hospitals and Homes	\$29,051,971.	6,607
Mosquito Extermination	\$ 3,592,822.	351
<i>V. Education and Recreation</i>		
County Superintendent of Schools	\$ 647,156.	131
Vocational Schools	\$ 6,801,756.	1,277
County Extension Service	\$ 950,440.	200
County Colleges	\$ 3,372,027.	1,600
Park Commission	\$11,578,885.	971
<i>VI. Correctional and Penal</i>		
Jail	\$11,164,380.	724
Probation Department	\$ 6,281,918.	934
<i>VII. Other</i>		
Statutory Expenditures	\$16,753,670.	...
<i>Totals</i>	\$249,916,839.	21,714
% of Total County Functional Expenditures		79.2%
% of Total County Employees		68.4%
(1967 Total County Functional Expenditures	\$315,550,943	
Total County Employees		31,740)
* Employment data in some cases are averages of a few counties projected over the entire state.		

The members of the County Tax Board are appointed by the Governor but work under the State Department of the Treasury. The Director of the County Welfare Board, while appointed by the Board (who in turn are appointed by the Freeholders), is responsible to the State Department of Institutions and Agencies and also to the Federal Government. For the welfare programs which the county administers are federal aid programs, and any attempt to change policy is subject to federal approval as well as state but not to the approval of the Freeholders. Even members of major agencies, such as the County Board of Elections, which has the primary responsibility in New Jersey for policing elections at present, are appointed under cumbersome procedures. Members of the Board of Elections are appointed by the Governor on nomination by:

“... *joint* recommendation of the Party's state chairman, the state committeeman and committeewoman of the party in the county, and the county chairman, all meeting together during the 30 days prior to March 1 to agree on a choice and submit it to the Governor.”²

These are but a few examples of the confusion inherent in the present system. As the section on autonomous agencies points out, the system seems to have been built to prevent Freeholder control.

In fact, this was the case. In the late 19th and early 20th centuries, the “experts” tended to favor taking control out of the hands of elected officials. As Crecraft described in 1913, deliberate decentralization had proceeded:

“... on the assumption that the Board (of Freeholders) is incompetent to assume more power and responsibility as an administrative body. It is pointed out that experience with the Board in the past did not indicate, for example, that the county park system would be maintained by the Board with the same high degree of efficiency as characterized its present administration under a separate commission appointed by the judge of the Court of Common Pleas. . . . In light of this theory the legislature has placed certain important administrative functions of the county in the charge of special commissions. The chief objection to the theory is that responsibility in county government must be centralized, not divided, if proper control is to be exercised over all departments.

The county Board of Freeholders does not have sufficient control over the administration of the county's affairs. The power to spend the funds appropriated each year should be controlled by the Board, and not be divided among separate administrative bodies, each exercising the right to spend its appropriations at its own discretion. *This very system, or lack of system, is the chief reason for the increasing county tax rate and the increasing burden of the county appropriations. Moreover, the system of special commissions violates the principle of “home rule”.* If experience under city government suggests any one solution in discussing our irresponsible county

government, it is that all responsibility (should be) placed in one small board which is elected by the people.”³

Fifty years ago, then, reform groups were advocating the centralization of power in the hands of elected county officials. As one county supervisor put it in his annual message in January of 1913:

“These commissions are robbing the people of (our) county of the right to govern themselves. I believe in home rule for (our) county and the quicker we have it the better the people will appreciate it and they can hold their representatives responsible for an economical administration of county affairs.”⁴

The lack of centralization of county government is of more than academic interest. It is, in great measure, responsible for many of the county’s present difficulties. Administratively, a centralized structure might well do things more economically than a fragmented one. Take as an example joint purchasing. Only 11 counties have a central purchasing office, which means that in 10 counties supplies are more than likely bought at higher unit cost.⁵ Similarly, one agency may have equipment and facilities which, in a more centralized administration, could be shared for economy. Furthermore, the county cannot be expected to take on new responsibilities and to exercise broad new powers effectively if it cannot be properly governed and managed by its elected officials. Most important, the county must have a central authority which can answer citizens’ needs and solve their problems. Under the present system, “Sorry, that’s not my department”, is not just an excuse—it is a statement of fact. As the coming pages will show, the fragmentation of the county, the present lack of central authority and the position in which this puts the Freeholder make adequate and efficient government almost impossible even with the most talented and dedicated Freeholder Boards devoting full time to the job.

The following chart shows the difference between a typical New Jersey county and a typical Faulkner Act municipality in the administration and performance of functions.

The measure of government’s adequacy is the degree to which the best of elected officials can decide upon and execute what they consider to be the voters’ needs and desires. The mayor and city council have this authority. The Board of Freeholders does not. As the chart on the following page clearly shows, the tremendous fragmentation of county government in comparison with municipal government indicates the great need to centralize and improve county government structure if we are to increase the county’s responsibilities and to make it an effective partner in a strong local government system.

TABLE IV-2
COMPARISON OF THE GOVERNMENTAL STRUCTURE OF A FAULKNER
ACT CITY TO THE GOVERNMENTAL STRUCTURE OF THE
COUNTY IN WHICH IT IS LOCATED

<i>County Government</i>	<i>City Government</i>
<p>Total 1967 Expenditures: \$22,097,244.17 Per Capital \$47.98 Total 1967 Revenues \$22,086,533.62</p>	<p>\$22,165,262.91 Per Capita \$189.71 \$22,133,475.17</p>
1967 Population 460,490 (Est)	116,840 (Est)
<p>Administrative Organization: Traditional Freeholder— Commission Form</p> <p>Size of Governing Body and Responsibility: 7 Freeholders with both Administrative and Legislative Duties</p> <p>Chief Executive: Freeholder Director with Ceremonial Powers and highly limited functional power: Elected by the Board of Freeholders.</p> <p>Chief Administrative Officer: None, each Freeholder heads a com- mittee in charge of administering a line function.</p> <p>Functional Administration: Most services are in the hands of 13 Boards. Agencies and Commissions, with limited Freeholder control, if any.</p> <p><i>Social Services:</i> Welfare Board <i>Mandated</i> Child Shelter Board Mental Health Board Agricultural Extension</p> <p><i>Health:</i> Mental Health Board Hospitals (Chest, General, Mandatory and Psychiatric) Board of Managers: County Chest Hospital Advisory Board for General Hospital Advisory Board: Psychiatric Treatment Mosquito Commission (<i>Mandated</i>)</p> <p><i>Development</i> Industrial Development Commission Planning Commission Extension Service</p> <p><i>Recreation</i> Park Board</p> <p>The 13 Boards and Agencies encompass 65.2% of total county employment, and the functions outlined above account for 46.1% of total county expenditures.</p>	<p>Mayor Council Option D of the Faulkner Act (Mayor-Council with Business Adminis- trator)</p> <p>7 Councilmen with Legislative Duty</p> <p>Strong Mayor: Elected by the people.</p> <p>Business Administrator with administra- tive responsibility for 8 line agencies.</p> <p>All these services are performed by <i>Professional Administrators under Super- vision of Mayor and Business Adminis- trator.</i></p> <p>Department of Health, Housing and Welfare</p> <p>Department of Health, Housing and Welfare</p> <p>Office of Planning and Revenue</p> <p>Department of Recreation and City Properties</p>

B. Autonomous Boards, Agencies, and Commissions

No area of county government so spectacularly illustrates the administrative and structural problems of the county as does that of the boards, agencies and commissions which are either independent or semi-independent of financial, policy or administrative control by the Board of Freeholders. The last section showed how it was fashionable in the early part of this century to divorce the performance of major functions from "political" control. This tendency is prevalent in many areas (painfully so in elementary and secondary education) but the fragmentation and resulting lack of control are most evident at the county level. *There are 47 different types of permitted or mandatory independent agencies at the county level today, with a total of 265 such agencies operating now in New Jersey counties.*

TABLE IV-3
BOARDS, AGENCIES AND COMMISSIONS IN NEW JERSEY

County	Mandated	Permitted	No Specific Statutory Authority	Total
Atlantic	5	7	...	12
Bergen	5	8	...	13
Burlington	5	6	...	11
Camden	5	6	2	13
Cape May	5	5	1	11
Cumberland	5	6	1	12
Essex	5	11	1	17
Gloucester	5	4	...	9
Hunterdon	4*	4	...	8
Hudson	5	9	...	14
Mercer	5	10	1	16
Middlesex	5	7	...	12
Monmouth	5	9	...	14
Morris	5	7	1	13
Ocean	5	7	...	12
Passaic	5	8	2	15
Salem	5	6	...	11
Somerset	5	8	2	15
Sussex	5	7	1	13
Union	5	8	...	13
Warren	5	6	...	11
	104	149	12	265

* No Mosquito Extermination Commission.

More important than the number of such agencies are the facts that: 1) they have responsibility for virtually all major county functions, from education to mosquito control to parks to welfare; 2) collectively, these autonomous agencies spend well over half the counties' services budget, often with little or no control by the Freeholders, as the budgetary section will show; and 3) over one half the employees of all counties—16,000 people—are employed by these agencies.

They have a great deal of power and responsibility, yet they are in many cases under only minimal control by the elected officials of the county. Given their number and size and the importance of their functions, there is no doubt that their very independence constitutes a serious problem in terms of making county government more responsive, efficient and effective. Unless the powers and duties of these agencies come under the direct jurisdiction of the Board of Freeholders, there is no possibility of centralizing and effectively reorganizing county government. Table IV-4 shows the magnitude of the problem quite clearly.

The next section of the report discusses the lack of financial control over these agencies, and, as the following pages will show, there are very important administrative reasons why the present system causes confusion, waste and inability to meet needs effectively and quickly.

First, the fragmentation of responsibility makes policy planning and program coordination almost impossible. In almost every major service area, responsibility is divided among many boards and officials, some appointed by the Freeholders, some appointed by the autonomous agency board, and some appointed by the Governor or some state official. In the area of health, for instance, there are at least nine authorized agencies which have some major health responsibility, ranging from mosquito control to the care of tubercular patients to mental health to narcotics education. In Essex County alone, there are six county bodies which are directly involved in health services: the Mental Health Board, the County Sanatorium, the County Hospital, Overbrook Hospital, the Medical Examiner, and the County Blood Bank (The latter, though privately incorporated has been and is a fiscal responsibility of the county). The Freeholders have little or no power over or knowledge of the needs and problems of many of these institutions, not because they are uninterested, but because the system almost prohibits any detailed knowledge of these massive institutions.

More important, no one in Essex is in a position to coordinate policies for all these institutions, not to mention other county agencies which have health functions, such as the Crippled Children's Commission, the Guidance Center, the Children's Shelter, special education programs for handicapped children, and the County Welfare Board, plus the dozens of private, regional, and semipublic and state groups and agencies which deal in this area. Thus, no one group or agency, no one official, elected or appointed, can coordinate or set policies for all the county bodies active in the health area. In 1967, these county agencies spent \$34 million.

TABLE IV-4
AGGREGATE EXPENDITURES AND PERSONNEL FOR FIFTEEN SELECTED
AGENCIES †

Agency	County Service Expenditures		County Employees*	
	Expenditures	% of Total	Number	% of Total
Welfare Board (including Child Welfare)	\$51,305,230	16.2%	2,535	7.9%
Park Commission	11,578,000	3.7	971	3.0
Boards of Vocational Education	6,801,000	2.1	1,277	4.0
Boards of Election	6,572,000	2.1	469	1.5
Mosquito Extermination Commission	3,592,000	1.1	351	1.1
County College Boards of Trustees	3,372,000	1.1	1,600	5.0
Jury Commission	2,368,000	.74	112	.4
Shade Tree Commission	776,000	.24	100	.3
Board of Taxation	881,950	.27	129	.4
County Extension Service	950,440	.30	200	.6
County Board of Health	2,331,353	.74	240	.8
Mental Health	43,226,695	14.0	640	2.0
Hospital Board of Managers	29,051,971	9.2	6,607	20.8
Board of Managers—Hospitals for Tuberculosis	10,694,809	3.4	484	1.5
Planning	2,029,676	.64	122	.4
Totals	\$175,531,124	55.1%	15,837	49.8%

† A complete breakdown of the county service budget and personnel is found in Table IV-1. This table shows that 79.2% of the total county functional expenditures and 68.4% of the total county employees are not under Freeholder control.
* Employment data in some cases are averages of a few counties projected over the entire state.

The focus of this report is on the county as a potential middle level of government that can provide area-wide services, implement state programs, and coordinate and develop interlocal programs. *In Essex County there are over 200 health agencies and 400 facilities; under the present system the county cannot even coordinate the ten which are within the county government and for which it pays.*⁶

The same problem exists for planning and development, where one may find any combination of the following agencies: the planning board, the county engineer, the shade tree commission, the park commission, utilities and improvement and airport authorities, industrial and economic development commissions and various agricultural and soil conservation officials. Thus, it is not uncommon to find five or more

TABLE IV-5
AGENCIES AND THEIR GENERAL FUNCTIONS

<i>General Function</i>	<i>Agencies Involved</i>
I. Planning and Development	I. 1) Air Pollution Commission 2) Aviation Commission 3) Economic Development Commission 4) Financial Advisory Commission 5) Highway Right of Way Commission 6) Improvement Authority 7) Park Commission 8) Industrial Commission 9) Planning Board 10) Recreation Authority 11) Regional Planning Board 12) Shade Tree Commission 13) Board of Agriculture 14) Transportation Commission (Mass and Private) 15) Utilities Authority 16) Library Commission 17) County Engineer
II. Education	II. 1) Agriculture Extension Service 2) Audio Visual Aid Commission 3) County College Board of Trustees 4) Board of School Estimate County Colleges Vocational Schools 5) Board of Vocational Education 6) Library Commission 7) County Superintendent of Schools 8) Youth and Economic Rehabilitation Commission 9) Air Pollution Commission 10) County Board of Health 11) Heritage Commission 12) Narcotics Advisory Commission
III. Health	III. 1) Mosquito Extermination Commission 2) Air Pollution Commission 3) County Board of Health 4) County Hospital Board of Managers 5) Maternity Hospital Board of Managers 6) Communicable Disease Hospital Board of Managers 7) Tuberculosis Hospital Board of Managers 8) Communicable Diseases Board of Managers 9) Mental Health Board 10) Narcotics Advisory Commission 11) Children's Shelter 12) Medical Examiner

TABLE IV-5—Continued
AGENCIES AND THEIR GENERAL FUNCTIONS

<i>General Function</i>	<i>Agencies Involved</i>
IV. Welfare	IV. 1) County Welfare Board 2) Children's Shelter Board of Trustees 3) Youth and Economic Rehabilitation Commission 4) Child Welfare
V. Judiciary	V. 1) Jury Commission 2) General County Courts 3) District Courts 4) Prosecutor's Office 5) Law Library
VI. Regulation	VI. 1) Sheriff's Office 2) County Police 3) Weights and Measures 4) Board of Taxation 5) County Medical Examiner 6) Board of Elections 7) Shade Tree Commission 8) Park Police 9) Civil Defense and Disaster Control 10) Air Pollution Commission 11) Park Commission
VII. Correctional and Penal	VII. 1) County Jail 2) Narcotics Advisory Commission 3) County Youth House (Parental School) 4) Penitentiary (Work House) 5) Probation Department

county agencies involved in basic planning, each with the power to thwart the plans and policies of another agency, most often unintentionally. The picture is further complicated by the fact that each agency works with state and even federal departments and, of course, with municipal officials and planning agencies. Once again, beyond a minimal ability to withhold funds for projects, the Freeholders have very little control over this process.

In education, the same is true. We have at the county level: the County Superintendent of Schools (appointed by the State Commissioner of Education), the County Superintendent of Vocational Education (appointed by the County Board of Vocational Education), the County College, the County Agricultural Agent, and the County Home Economics and Extension Service. In a populous urban county, coordination of retraining and manpower development programs becomes something of a problem given the lack of centralization. In general, although these

agencies may have informal coordination of some type, perhaps even more than the health and welfare agencies, they are far less subject to public scrutiny and to the scrutiny of the elected official.

The effects of this fragmentation are painfully evident at the municipal level of government. The Commission asked all the major-appointed functional officials of 43 municipalities around the State to assess the county's performance in joint planning, discussion and coordination of services and programs. *Of the 43 groups of functional officials, 32 said there was no joint discussion, planning and coordination, and the remaining 11 said there was very little.* This has led to duplication of effort, waste, and confusion, especially in the urban counties, a marked suspicion of the county's ability to deliver services effectively and efficiently.

Even the most intelligent citizen seeking county services would have a problem obtaining satisfaction. If, for instance, behind his house, in a publicly-owned wooded area, there is a brackish creek which is a breeding ground for mosquitoes, whom does he call? In all probability he would call his mayor, who would refer him to the municipal engineer or health officer, who would in turn give him a choice of agencies to call. He might try his Freeholder, the County Public Works Department, the County Engineer, the Park Commission, or even the County Agent and the Soil Conservation Board, or the Shade Tree Commission, the County Health Officer, or the Mosquito Commission. While the latter might be the most logical choice, it would not necessarily be the right one.

In an age when county services were less important and far less costly, such fragmentation may have been acceptable. In an age when the voter was less educated, when political machines were more powerful, and when individual county office holders may have been more venal and less competent, such a system may even have had some desirable aspects. But given the present cost of government and the present inability of local government to move quickly and effectively to meet problems, this fragmentation is unpardonably extravagant and debilitating.

Second, the present system is so structured that it insulates the autonomous agencies against any policy changes. As we have seen, the philosophy of the independent agencies rests in suspicion of political control. Not only are the budgetary and control powers of the Freeholders limited in respect to these agencies, but the appointment powers the Freeholders have are severely limited by the fact that appointments are for a fixed term in almost every case and for staggered rather than concurrent terms on most agency boards (See Table IV-6). Thus, a Freeholder Board which is elected by even a gigantic mandate has relatively little control over the policies of any given agency, much less over the performance of its service, which may involve three or four such agencies. It is rather like moving a graveyard: the holdover Board members can be removed only one by one and gingerly at that.

TABLE IV-6
COUNTY BOARDS, COMMISSIONS AND ADVISORY BODIES ⁷

<i>Title</i>	<i>Method of Selection</i>	<i>Size</i>	<i>Term-Years</i>	<i>M or P¹</i>	<i>Statutory Reference</i>
Elections, Board of	Appointed by Governor on Nomination of 2 major parties	4	2S*	M	19:6-17 et seq.
Jury Commission	Appointed by Supreme Court	2	1N	M	2A:68-1 et seq.
Mosquito Extermination Commission	1. Appointed by Freeholders (5)	6	3S	M	26:9-13 et seq.
	2. Appointed by County Judges	6	3S	M	26:9-13.2 (Cl.11, 325,000-400,000 pop.)
Taxation, Board of	Appointed by Governor	3	3N	M	
Welfare Board	5 Citizens and 2 Freeholders appointed by Freeholders	7	5S	M	44:4-20 et seq.
Agriculture, Board of	Self appointment of Interested Citizens	Indefinite	Ind. N.	P	4:14-2
Air Pollution Commission (Hudson)	Appointed by Freeholders	5	3N.A.		No specific statutory authority
Audio Visual Aids Commission	County Librarian and 6 members selected by Supt. of Schools	7	3N	P	18:12A-1 et seq.
Aviation Commission	Appointed by Freeholders	5	3N.A.		No specific statutory authority
Camp Hope Commission (Passaic)			N.A.		No specific statutory authority
Children's Shelter Board of Trustees	Appointed by Freeholders	7 (2)	N.A.		
College Board of Trustees, County	Appointed by Director of Freeholder Board with advice and consent of Freeholder Board and Co. Supt. of Schools	9	4S	P&M	18A:64A-8 & 9

* S=Staggered
N=Non-Staggered
Ind.=Indefinite
N.A.=Not available

NOTES: 1 M—Mandatory, i.e., required by law. P—Permissive, i.e., at discretion of Freeholders. C.S. Civil Service.
E—Essex County only.
2 Plus Judge of Juvenile and Domestic Relations Court and Director of Freeholders ex officio.
3 Plus County Judges ex officio.
4 Plus Judge of Juvenile and Domestic Relations Court ex officio.
5 Plus County Superintendent of Schools.

TABLE IV-6—Continued
COUNTY BOARDS, COMMISSIONS AND ADVISORY BODIES ⁷

<i>Title</i>	<i>Method of Selection</i>	<i>Size</i>	<i>Term- Years</i>	<i>M or P¹</i>	<i>Statutory Reference</i>
College Board of Trustees, County (Continued) (Board of School Estimate)	Freeholder Director, 2 Freeholders appointed by Freeholder Board. 2 Trustees appointed by Trustee Board.	5	1N	M	18A:64A-15 & 16
Economic Development Commission			N.A.		40:23-5.1
Employees Retirement Commission, County (E)					
Financial Advisory Commission (E)			N.A.		No specific statutory authority
Health, County Board of (Hudson)	2 appointed by Freeholders plus County Physician	3	Ind. Term	P	26:11-1 et seq. (Hud.)
Heritage Commission	Appointed by Freeholders	5	5S	P	40:33A-1 to 5
Highway Right-of-Way Commission	Appointed by Freeholders (Must be Freeholder)	3	1N	P	27:16-54 et seq.
Hospital Board of Managers, County	Appointed by Freeholders	7	3S		30:9-12.2
Maternity Hospital Board of Managers	Appointed by Freeholder Director	5	5S	M	30:9-25
Communicable Disease Hospital					
1. Board of Managers	Appointed by Freeholder Director	6	3S	P	30:9-38 et seq.
2. Board of Managers	Freeholder Board or Committee of Freeholders			P	30:9-38 (Cl. 1 & 11)
Tuberculosis Hospital					
1. Board of Managers	Appointed by Freeholders	5 or 7	5S	M	30:9-50
2. Board of Managers	Freeholder Committee appointed by Director			P	30:9-48 (Cl. 1)
Hospital for Tuberculosis and other Communicable Diseases Board of Managers	Appointed by Freeholders	9	5S	M	30:9-62

TABLE IV-6--Continued
COUNTY BOARDS, COMMISSIONS AND ADVISORY BODIES ⁷

<i>Title</i>	<i>Method of Selection</i>	<i>Size</i>	<i>Term- Years</i>	<i>M or P1</i>	<i>Statutory Reference</i>
Improvement Authority	Appointed by Freeholders	5	5S	P	40:37A-44 to 91
Industrial Commission	Appointed by Freeholders		N.A.		No specific statutory authority
Library Commission	Appointed by Freeholders	5	5S	P	40:33-7
Mental Health Board	Appointed by Freeholders	Up to 12	3S	P	30:9A-3 et seq.
Narcotics Advisory Commission	Appointed by Freeholders	7	Ind. N		No specific statutory authority
Parental School, County (Youth House)					
1. Board of Trustees	Appointed by County Court Judges	5 (3)	3N.A.	P	
2. Board of Trustees	Appointed by Freeholders	8 (4)	4	P	
Park Commission	1. Appointed by Freeholders	5	5S	P	40:37-73 et seq.
	2. Appointed by Freeholders	9	5S	P	40:37-95.2 et seq.
	3. Appointed by Freeholders	5	5S	P	40:37-96 et seq. (over 200,000 pop.)
	4. Appointed by Freeholders	5	5S	P	40:37-175 et seq. (over 200,000 pop.)
	5. Appointed by Freeholders	7	5S	P	40:37-195 et seq. (Between 175,000 & 200,000)
Pension Commission	County Supervisor, County Treasurer. 2 county employees elected by Co- workers, 1 citizen selected by other members	5	2N	P	43:10-18.3
Planning Board	Appointed by Freeholders	5 to 9	3S	P	40:27-1 et seq.
Recreation Authority	Appointed by Freeholders	5	5S	P	40:37B-1 to 47
Recreation, Board of	Appointed by Freeholders	3 to 7	5S	P	40:12-1 et seq.
Regional Planning Board			N.A.		40-27-1
Sewer Authority	Appointed by Freeholders (4)	5 or 7	3S	P	40:36A-1 to 63

TABLE IV-6—Continued
COUNTY BOARDS, COMMISSIONS AND ADVISORY BODIES ⁷

<i>Title</i>	<i>Method of Selection</i>	<i>Size</i>	<i>Term- Years</i>	<i>M or P¹</i>	<i>Statutory Reference</i>
Sewerage Authority	Appointed by Freeholders (4)	5	5S	P	40:14A-1 to 37
Shade Tree Commission	Appointed by Freeholders	Up to 5	5S	P	40:37 et seq.
Soldiers and Sailors Commission (Mercer)			N.A.		
Transportation Commission, Mass			N.A.		
Transportation Commission, Public			N.A.		
Utilities Authority	Appointed by Freeholders	5	5S	P	40:14B-1 to 69
Vocational Education, Board of	1. 4 appointed by Supervisor 2. 4 appointed by Freeholder Director 3. 4 appointed by Judge or Judges of County Court	5 (5)	4S	P	18A:54-12 & 16 18A:54-16
(Board of School Estimate)	2 appointed from Board of Educa- tion by Board; 2 appointed from Freeholders by that Board; Free- holder Director	5	1N	M	18A:54-27
Youth & Economic Rehabilitation Commission (E)			N.A.		
Bridge Commission	Appointed by Freeholders	3	3S	P	29:19-26 et seq.

This means that it takes many years before changes of policy occur; and since the turnover of Freeholder Boards is quite high, it is a dubious process entirely. It leads to friction and usually to inaction. The Commission's research indicated that Freeholder dissatisfaction with certain major autonomous agencies is almost twice as high in politically competitive (two-party) counties as in non-competitive (one-party counties), as the table below indicates.

TABLE IV-7 FREEHOLDER'S RESPONSES TO THE QUESTION: WITH WHICH AUTONOMOUS AGENCIES DO YOU HAVE REAL DIFFICULTIES		
% responding affirmatively to question in:		
	Politically Competitive Counties	Politically Non-Competitive Counties
County Park Commission	85%	49%
Mosquito Extermination Commission	71%	43%
Shade Tree Commission	42%	12%

But even where the appointees and the Freeholders are of the same political party, serious problems arise. Given the fact that almost all major county services and functions are to some degree or another under the control of these insulated agencies, the questions as to the democratic process and the effectiveness of county government are obvious.

Third, there is a clear recognition on the part of elected leaders that effective county government requires increased centralization. In the Commission's survey of mayors' attitudes toward county government, it was clear that elected municipal officials felt that county government's fragmentation led to its inability to perform well. Those mayors who rated their county government as fair or poor were asked to choose among eight possible causes, and 76% of the mayors responding stated that they considered lack of central leadership, coordination and control to be an important cause.

Among the Freeholders themselves there was considerable agreement that there should be increased central control over autonomous agencies, as the following chart indicates.

TABLE IV-8

FREEHOLDERS' RESPONSES TO THE QUESTION: DO YOU FAVOR GRANTING THE FREEHOLDER BOARD THE FOLLOWING POWERS OVER AUTONOMOUS BOARDS, AGENCIES AND COMMISSIONS

	Yes	No
To require agency reports as specified by the Board	100%	0%
To review their decisions prior to enactment and to make recommendations	81%	19%
To abolish the agencies if desired	95%	5%
To supervise and control the agencies directly	90%	10%

This response of the Freeholders was apparently not perfunctory, for 64% of those responding indicated that if they had the power they would move immediately to consolidate existing agencies, and 34% indicated that they would immediately abolish some of these agencies. The latter response is particularly interesting in view of the normal and expected reticence of most political officials to advocate radical changes in the system which they head. The answer may be that the Freeholders realize how little leverage and responsibility they can exercise under the present system. The charts in the following sections will show dissatisfaction and frustration to be particularly high in areas where the problems are greatest—in the counties that are facing severe problems of growth and development.

Conclusions

The role of the autonomous boards, agencies and commissions, their number, their power, the major services for which they are wholly or partly responsible, the magnitude of their expenditures and their retinue of staff and equipment, make it clear that:

1. *These agencies control most major areas of county service.*
2. *The fragmentation of their functions means that they cannot effectively coordinate activities within county government, much less achieve coordination with the innumerable federal, state, municipal and private agencies and groups operating in the same area.*
3. *The method of appointing the board members of these agencies, combined with staggered terms, isolates the boards from any legitimate voter or Freeholder desire to change their policies and programs.*
4. *While the budgetary powers of these agencies will be analyzed in the next section, it is fair to state that in this area the Freeholders*

have relatively little control over the most important independent agencies.

5. *These agencies are so insulated from control by elected and central administrative officials that no one can effectively set policies and programs, or even insure that waste and duplication of services, manpower and equipment are minimized.*

Finally, the problems these agencies create must be put into the context of the county's legal and fiscal inadequacy. Assuming even the most dedicated and dynamic Freeholders, there is virtually no legal way for the Board to exercise control over these agencies, to reorganize them, to require that it be given a voice in their decisions or even be made aware of decisions once taken. In Bergen County, for instance, one study in 1967 showed that the Freeholders exercised real control over only \$8-10 million of the county's \$38 million budget, and over this money it had relatively little influence because of the archaic budgetary process, which will be described in the following section.⁸

In the case of 104 of the 265 autonomous agencies, their very existence is mandated by state law. In the case of many others little influence in their programs can be exercised because even the programs are legislatively mandated—welfare programs for example. And the level of their expenditures may be beyond control as with the park commission. These autonomous agencies, when taken together, form a sub-government of long-term appointees within the county; when taken separately and strung out, as they are within the county structure, they prevent the emergence of any real government at all.

C. The Budgetary Process in County Government

Not only is the Freeholder Board denied effective administrative authority over county government; their fiscal control is also severely limited. It is fair to say that the Freeholders have virtually no control over 80% of the county's budget for one or more of the following reasons:

1. the expenditure is mandated by the state; and either it rises automatically, as in the case of welfare, or the amount to be expended is fixed by statute, as in the case of the Mosquito Commission;
2. the Board has no control over the officials spending the money, as in the case of the county superintendent of schools or constitutional officers;
3. the county agency as well as the official is removed from direct control and is not obliged to report to the Board on its activities, as in the case of the Board of Vocational Education and the Park Commission.

As the chart below indicates, the overwhelming majority of the principal county services and expenditures fall into the above classifications, and many expenditures fall into two or more categories simultaneously. Park Commissions, for example, are autonomous in terms of administra-

tion, and they also have specified rates of expenditure. Educational and welfare expenditures, and of course judicial expenditures, are in large measure mandated and they are either controlled and administered by autonomous boards, such as the welfare board, or they are controlled by the courts. Even where the county does appoint the official, he may well report to a state official and perform state mandated duties over which the Freeholders have no control. The Superintendent of Weights and Measures is such an official.

Taken together, these categories represent huge areas of county operation over which the Freeholders have little or no control, and where they must supply the funds, sometimes without question, sometimes with only a formal and fairly meaningless power of approval. In fact, the budgetary process is structured at present so that the Freeholders can exercise effective control over only 20% of the county budget. (See Table IV-1.)

The next section will show that the Freeholders do not even have the time to familiarize themselves with all county projects, had they the authority to do so. Furthermore, under the present system, no one is in a position to view all county programs together, to make comparisons of performance, to set program goals and coordinate activities or to evaluate financially the results of county government's efforts. One perceptive Freeholder in an urban county described the situation as follows:

"We have financial responsibility without administrative or executive control. Too many autonomous agencies demand funds over which elected Freeholders can exercise no control. The people look to the Freeholder for proper and prudent administration, but we do not have the power to control the spending of these monies. . . . It is extremely frustrating to parcel out millions of dollars to agencies which either do not care or are unable by virtue of woefully inadequate fiscal controls to tell the governing body precisely where, why, and how the tax dollars are spent . . . furthermore, the state discourages us from "interfering" with these governments within county government . . . It is well and good to free certain areas from political shenanigans, but it is equally bad to insulate these bodies from public control and fiscal accounting—duties for which the average citizen looks to the Freeholder, but over which the Freeholder has at present no control."

For even the 20% of the county budget over which the Freeholders have control, the present methods of operations do not encourage sound and thorough review. By a sound and thorough review we mean the following:

a budgetary review in which the Freeholders act as a Board to view the *entire* county operation objectively, trying to match resources with the goals and policies they set for the county. This involves several assumptions as to what the Freeholder must bring to the review: 1) an objectivity and perspective on *all* the county's opera-

tions; 2) adequate *time* to make good judgments; 3) adequate data to examine in making decisions; 4) a set of clearly defined policies and goals for county government.

But the Freeholders do not have the legal power or administrative resources for this kind of review. Nor do they have the administrative staff to help them perform the host of tasks involved. Most damaging of all, the budgetary process itself—as it is today—does not require the procedures for control and evaluation which make for prudent fiscal administration.

TABLE IV-9⁹

- I. Expenditure is mandated by the state, and it either rises automatically, as in the case of welfare, or the amount to be expended is fixed by statute, as in the case of Mosquito Commissions:

<i>Function</i>	<i>1967 Expenditures</i>	<i>Number of Employees</i>
Board of Elections	\$6,572,111.	469
Mosquito Extermination Commission	3,592,822.	351
Welfare Board (including Child Welfare)	51,305,230.	2,535
Hospital for Tuberculosis and other Communicable Diseases	10,694,809.	484
Board of Taxation	881,950.	129
Board of School Estimate		
a) Vocational Schools	6,801,756.	1,277
b) County Colleges	3,372,027.	1,600
County Clerk	3,893,733.	794
County Register	1,000,579.	25
County Surrogate	1,602,514.	244
Jail	11,146,380.	724
Judiciary	24,431,672.	1,985
Medical Examiner	820,676.	54
Mental Health	43,226,695.	640
Probation Department	6,281,918.	934
Sheriff	3,875,870.	1,154
Statutory Expenditures	16,753,670.
Weights and Measures	535,410.	66
Superintendent of Schools	647,156.	131
Totals	\$197,436,978.	13,596
% of Total County Functional Expenditures	62.4%	
% of Total Employees	42.8%	

TABLE IV-9⁹—Continued

II. Board has no control over the officials spending the money:

<i>Function</i>	<i>1967 Expenditures</i>	<i>Number of Employees</i>
County Superintendent of Schools . . .	\$647,156.	131
County Clerk	3,893,733.	794
County Surrogate	1,602,514.	244
County Sheriff	3,875,870.	1,154
Chief Medical Examiner	820,676.	54
Superintendent of Weights and Measures	535,410.	66
Park Commissions	11,578,885.	971
Total	\$22,954,244.	3,414

% of Total County Functional Expenditures 7.2%

% of Total County Employees 10.7%

III. The Agency as well as the official is removed from direct control and not obliged to report to the Board on its activities:

<i>Function</i>	<i>1967 Expenditures</i>	<i>Number of Employees</i>
Board of Election	\$6,572,111.	469
Jury Commission	2,368,487.	112
Mosquito Control Commission	3,592,822.	351
Board of Taxation	881,950.	129
Welfare Board (Including Child Welfare)	51,305,230.	2,535
Agricultural Extension	950,440.	200
Tuberculosis Care	10,694,809.	484
Mental Health	43,226,695.	640
Park Commission	11,578,885.	971
Vocational Education	6,801,756.	1,277
County Colleges	3,372,027.	1,600
Department of Weights and Measures	535,410.	66
Total	\$141,880,622.	8,834

% of Total County Functional Expenditures 44.9%

% of Total County Employees 27.8%

The Lack of Control and Evaluation Procedures in County Budgeting

Ideally, the budgetary process should provide the means both for planning *and* controlling expenditures. It might be viewed as a county's plan for implementing public policies through the expenditure of funds for personnel, equipment and the necessary materials. The budget helps control expenditures by legally requiring all expenditures to be submitted for approval.

In New Jersey, county budgets are used to emphasize control and minimize planning. The Local Budget Law (N. J. S. 40A:4) sets forth the basic procedures that must be followed in preparing county budgets. The Division of Local Finance in the Department of Community Affairs administers the Local Budget Law and sets forth in great detail the methods counties must use in preparing their budgets.

The three most prevalent public budget systems are: 1) line item budgeting, 2) program budgeting and 3) performance budgeting. *Line item budgets* emphasize the costs incurred and not the services provided. Services provided can most clearly be illustrated by employing a program budgeting system. A *program budget* presents expenditures according to the services they provide, and not in terms of objects and classes. *Performance budgeting* emphasizes the relation between cost and benefit. Services provided, where possible, are broken into measured units and a cost figure computed for each unit.

The ideal budget system contains elements of all three systems. The line item system is necessary to fulfill legal and accounting requirements. The program system is necessary to present expenditures in terms of what services are being bought or provided. And the performance system is useful in determining how much of what kind of service can be provided for a specified amount of money. Certain functions resist the quantification essential to developing performance systems, so this system has limited application.

New Jersey counties are required by law to prepare modified line item budgets. For example, under general government the following would appear:

<i>Appropriated for 1968</i>	
Legal Department	
County Counsel	
Salaries and Wages	\$100,000
Other Expenses	50,000
County Adjuster's Office	
Salaries and Wages	\$200,000
Other Expenses	75,000

Budgets prepared in sophistication of a full-fledged Finance, as a matter of position pertaining to appropriation suggests that standardized detail covering the following:

Salaries and
Other Expenses
Budget Requirements
Budget Information

In preparing their budgets, the Division of Local Finance considers legal requirements. They learn from utilizing more sophisticated accounting to officials of the counties do much beyond the sheets.

New Jersey counties, with a million, are not making money. These tools provide and alternatives. In New Jersey, public monies be strictly far beyond this. To extend detailed evaluation of the budget that he can decide which are not. In other words, *elected official to evaluate the budget*. At the federal and state level, the control of effective legislators insight into the spent. It helps them to what areas they should *that gives the taxpayer the present system*.

Of course, without the impossible to develop a budget simply does not have the difficult professional and evaluation of county finance.

The Freeholders' Ability

Our research tends to show that the freeholder is far too involved in the budget enough involved in setting

in County Budgeting

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ems, so this system has

to prepare modified line
overnment the following

Appropriated for 1968

..... \$100,000
..... 50,000

..... \$200,000
..... 75,000

Budgets prepared in this fashion fall short of even the modest sophistication of a full-fledged line item system. The Division of Local Finance, as a matter of policy, recognizes "the need for detailed information pertaining to appropriations." The Division of Local Finance suggests that standardized work sheets be used to provide supplemental detail covering the following:

Salaries and Wages
Other Expenses
Budget Recapitulation Sheet
Budget Information Sheet

In preparing their budgets in accordance with the directions of the Division of Local Finance, counties are merely complying with minimum legal requirements. There is nothing in the law preventing counties from utilizing more sophisticated budgeting techniques. However, according to officials of the Division of Local Finance, no New Jersey counties do much beyond preparing the standardized recommended work sheets.

New Jersey counties, with 1968 expenditures approaching \$400 million, are not making use of many elementary tools of sound budget making. These tools provide elected officials with reasonably clear data and alternatives. In New Jersey the emphasis has been on insuring that public monies be strictly accounted for. But adequate *control* should go far beyond this. To exercise real control the elected official must have detailed evaluation of the programs and performance of programs, so that he can decide which programs and policies are succeeding and which are not. In other words, *more sophisticated budgetary tools help the elected official to evaluate and control the expenditure of millions of dollars.* At the federal and state level, this kind of concern for what might be called control of effectiveness is becoming extremely important in giving legislators insight into what has become of the money they have spent. It helps them to determine what they should appropriate and in what areas they should operate in the future. In other words, *control that gives the taxpayer the best return on his dollar goes far beyond the present system.*

Of course, without a professional central administrative staff it is impossible to develop such documentation. The Freeholder himself simply does not have the time or training to undertake this necessary but difficult professional analysis on a continuing basis. Effective control and evaluation of county finance is a full-time job in itself.

The Freeholders' Ability to Shape Budgetary Policy

Our research tends to show that under the present system the Freeholder is far too involved in the daily process of administration and not enough involved in setting policy, even where he may have the authority

to do so. Several factors are responsible for this. The Freeholder's role today is primarily administrative. (See Table IV-10.) Furthermore, although he spends 13% of his time on budget preparation and hearings, in most cases three quarters of this time is used for preparing his own departmental budget, one quarter for other departments. In addition, he is burdened with fiscal aspects of a minor nature. Just under 10% of his time is spent signing vouchers and doing other minor paper work.

The Commission conducted an examination of the budgetary process, which will be published as part of the technical supplement to this report. The conclusion of this examination was this:

In theory, the individual Freeholders as chairmen of particular committees or directors of particular departments participate in developing budgets for the agencies under their jurisdiction. But *actually the full-time department and agency heads have the greatest influence in formulating the budget requests for their agencies . . .* There is no question that the Freeholders spend considerable time on the budgetary process, but there is considerable question on how profitably this time is spent. *Having a budget initiated and prepared almost entirely by a department head with minimum involvement on the part of the Freeholder is more common than uncommon. The Freeholder enters the process only after the basic thrust and direction of the budget have been formulated by the fragmented segments of county government.*¹⁰

Thus, in spite of the time they spend on fiscal matters, the Freeholders do not play the policy-making role in budget preparation which they should. The effect of the present inadequacy is somewhat muted by the lack of adequate Freeholder powers and by the fragmentation of county government. If we assume that we must centralize the system, however, and give more power to elected officials, then the budgetary process and the role of the Freeholder must be changed to meet these added responsibilities.

Another complicating factor is a relatively high turnover among Freeholders, especially in urban counties. (See Table IV-11). Since counties are on a calendar fiscal year (unlike the state and federal July-June fiscal year), when the new Freeholders take office on January 1, they can play only a passive role in the process of formulating the budget since they have no real knowledge of the departments or their budgetary needs. If the counties were on the same fiscal year as the state (July 1-June 30), the new Freeholders would have time to do the job more effectively. In any event, though, both new and old Freeholders have the same problem: they must spend a great deal of time on fiscal administration without corresponding power to shape the policies and programs which should be the basis for the budget.

The Lack of Objective Freeholder Review of Budgets and Programs

The final and perhaps most obvious difficulty is of a more personal and political nature. The Freeholders are, under the present system, department heads. As the next section shows, they spend most of their time administering their own departmental programs. This means that to some extent the Freeholder's political success depends on his department's performance. In fact, one of the virtues of the present commission type of government, cited by its adherents, is the fact that the elected official *can* be held accountable for the actions of one specific agency or department. Thus, the Freeholder, needing to protect his public record of achievement, must defend his budget and his department against criticism and budgetary cuts. Though he may not be in a position to set policy, he must "go to bat" for the agency which he heads. As a result, individual objectivity is at a minimum—for valid political reasons.

Furthermore, all Board members know that if they are too hard on another man's budget, he may reciprocate. This is not to say that Freeholders are engaging in questionable practices. Our evidence tends to show that they conscientiously seek to operate as best they can within the system. It is the *system* which is questionable for it places the elected official in a position which is untenable.

The Freeholders recognize the parochial budgeting which the system encourages and rewards. When asked about it, 44% *felt it did not assure the best county services for each dollar spent. Only 20% were certain that the county budget reflected the needs of the county as a whole rather than of specific departments. And 34% were certain that it did reflect the desires of departments rather than the objective needs of the county.* These percentages are significant in view of two facts: first, elected officials are usually loath to criticize a system of which they are a part; second, between a third and a half of those currently involved in the system feel it is unworkable. The need for change is clear.

Once again, the important fact is this: the elected officials of county government must be given much greater authority over *all* county government. If we are to have a centralized, efficient and effective county government, we must put the Freeholder in a position like that of the legislator in federal and state and modern municipal government. He must have the time, the power, the objectivity and the staff resources that will enable him to shape policy, oversee the operations of all county agencies and assume the kind of broad, responsible role which the present system prohibits him from assuming in a host of ways, including the ineffectual budgetary role into which he has been forced.

The following two sections will deal in detail with the role of the Freeholder and the need for a professional, central administration to assume tasks like budget preparation so that the Freeholder can play the policy-making role necessary in a strong local government.

D. The Role of the Freeholder

The present role of the Freeholder is a product of our fragmented, powerless county government. Its legal, fiscal and administrative problems have dictated a role which is narrow in scope yet demanding in its duties. Although the Freeholder must go to the voter for reelection every three years, he cannot change or even influence many important policies and problems which the voter may expect him to undertake. Moreover, as an administrative official he must spend many hours performing duties which cannot easily be explained to the public and which, while necessary to the functioning of county government, are not significant in shaping policy or producing visible results.

As part of its research, the Commission sought to find out how the Freeholder spends his time. The average Freeholder spends 32.3 hours a week at his post, of which 18.3 hours are spent on duties connected with his department and *14 hours on all other aspects of his job*. In other words, the elected Freeholder spends most of his time as an administrator

TABLE IV-10
HOW THE AVERAGE FREEHOLDER SPENDS HIS TIME

<i>Duty or Activity</i>	<i>Average Hrs. Wk.</i>	<i>% of Total</i>
Board of Freeholder meetings	4.0	12.4%
Departmental & committee meetings (in own department)	6.1	18.9%
Departmental & committee meetings (other departments)	3.3	10.2%
Budget hearings and preparation . . .	4.2	13.0%
Formulating resolutions (i.e. prepar- ing legislation)*	1.2	3.7%
Paper work (signing vouchers, docu- ments)	3.1	9.6%
Formal meetings with state, muni- cipal & federal officials	3.3	10.2%
Social, political and public affairs functions	4.7	14.6%
Other	2.4	7.4%
Total	32.3	100%

* Over 38% of the Freeholders said they spent *no* time preparing legislation.

in a single agency or department. When broken down, the allocation of time is even more interesting.

Two points emerge from this breakdown: *First*, that Freeholders spend far smaller portions of their time in full board or general legislative meetings than do elected officials at other levels of government. *Second*, that the Freeholder spends the bulk of his time in administrative rather than policy-making legislative functions. This is not to say that an individual Freeholder cannot or does not run his department and set its policies. Rather, in spending so much time as an administrator he is forced to lose much of the picture of county government and policy as a whole. In fact, the average Freeholder spends only 25% less time signing vouchers and other documents than attending full board meetings. Under the circumstances, while he may acquire a working knowledge of his own department, he probably has less knowledge of county government in general than he might if he had more time to study problems in other areas and to consider general county problems at full Board meetings.

Another important area is budget preparation. As the previous section pointed out, a man who must prepare and defend his own departmental budget cannot possibly look at the budgets of other departments in competition for the same limited county funds and weigh their programs and proposals objectively. Moreover, he is hardly in a position to call for an objective review of the programs *he* administers. If he were not directly responsible for programs, he might be freer to examine all of them critically and make the changes needed.

Many practical people involved in government have pointed out that often the distinction between "administrative" functions and "legislative" functions is academic. To some extent this is true. Administrators do set or at least modify policies, and legislators do engage in some administrative tasks. In the United States Congress, it is clear that elected officials often specialize in one particular subject, and do so with considerable success, as President Nixon's appointment of Representative Laird as Secretary of Defense indicates. The Commission does not wish to suggest that clear distinctions between the legislative and administrative are easily made, nor that it is inappropriate for elected officials to know thoroughly the work and problems of one agency. Quite the contrary. We do suggest, however, that the present administrative burden placed on Freeholders seriously inhibits their ability to view county government in its *entirety*, to set priorities and to formulate policies and programs. The present system confines the elected official to a narrow area of concern, giving him too little policy-making power and too much detailed administrative responsibility.

Over 60% of the Freeholders interviewed felt they did not have time to be good legislators and good administrators. In fact, 38% indicated that

they spent no time preparing resolutions. Obviously, the Board of Freeholders has very little time to act as a legislative body—even if it had the power to do so. Any reform of county government which strengthens the power of elected officials must recognize that they need the time as well as the power to act as a policy-making and legislative body, and cannot continue to function merely as an assemblage of administrators. Their time should be spent examining and approving budgets—not preparing them—evaluating and formulating programs—not administering them.

The Freeholders' lack of legal power, the fragmentation of their legislative responsibility have helped to shape their present administrative role. This system is often defended on the grounds that it is the best way to run a government. Many claim that the men, not the system, make the difference. To some extent this is a valid contention. Good elected officials may well be able to overcome some of the obstacles confronting them. But the system of county government today is so unmanageable, and deliberately so, that even the best of Freeholders can exercise control over only the narrowest of areas, and at that with disproportionate effort.

The need for greater legislative authority and less administrative responsibility is painfully evident to municipal officials. Nearly 75% of the municipal functional officials interviewed felt that the Freeholders should be freed from their departmental administrative duties and be given administrative staffs to deal with the day-to-day management of county affairs, budget preparation and other routine administrative functions. They felt that both county government as a whole and the administration of individual services suffer under the present awkward division of the elected officials' time and effort. Of the mayors polled, 78% felt that poor and inefficient administration were major causes of inadequate county performance, and 65% felt that lack of central leadership and direction by the Board were also major factors. In addition, 56% of the mayors interviewed felt that the adoption of council-manager or strong elected-executive plans would save money and duplication and improve county performance and delivery of services.

Among Freeholders themselves, this notion was echoed, especially by Freeholders from the 10 most urban counties, who favored the adoption of council-manager or elected-executive plans by a 2-1 margin. This seems to indicate that in the areas with the most pressing problems elected officials feel strongly that they need more legislative power and fewer direct administrative responsibilities so that they will be free to fill a more vital and important policy-making role for the county as a whole. The need for a new role for the Freeholder is in part a result of new problems. As counties develop, their elected leaders must have more power and flexibility to cope with the complex issues and trends that effect the counties economy and general welfare.

Many proponents of the present form of county government assert that it has a great advantage in that it gives the Freeholder the chance to develop expertise in specific service areas by actually running them. In answer to this, we point out the following. *First*, many if not most major services are not under the control of the Freeholder Board. *Second*, as the section on the budgetary process pointed out, each Freeholder is necessarily somewhat protective of his own departmental budget and can view neither it nor competing departmental budgets objectively. *Third*, the Freeholders themselves do not feel they develop expertise. *When asked if they thought the present system allowed them to become experts in one or more service areas, 46% said no.*

The major reason, perhaps, is the relatively high Freeholder turnover. Of the Freeholders the Commission polled, 60% had served less than 4 years. Even among the directors of Freeholder Boards, 54% had served less than 4 years before becoming directors. The high turnover is dramatized in one of our large, urban, politically competitive counties where the usual number of new Freeholders is 3 out of 9, or one-third.

TABLE IV-11	
YEARLY CHANGE IN AN URBAN COUNTY'S FREEHOLDER BOARD OF NINE MEMBERS ¹¹	
<i>Year</i>	<i>New Members</i>
1958	3
1959	3
1960	3
1961	0
1962	3
1963	2
1964	2
1965	1
1966	0
1967	3
1968	3

The effect this has on administrative organization is obvious from the following chart which shows changes in committee chairmanships over a 10 year period. The committees are subgroups of the Board, which run the departments in some counties.

TABLE IV-12
PATTERN OF CHANGE IN COUNTY GOVERNMENT DEPARTMENTAL
COMMITTEE CHAIRMANSHIPS IN A POLITICALLY COMPETITIVE
URBAN COUNTY¹²

<i>Year</i>	<i>Total County Chairmanships</i>	<i>Change In Total County Chairmanships</i>
1958	8	6
1959	7	7
1960	7	1
1961	7	0
1962	5	5
1963	5	3
1964	7	5
1965	7	1
1966	7	2
1967	6	2
1968	6	6

Is it little wonder that 55% of the Freeholders asked to assess their colleague's working knowledge of their departments, rated their knowledge fair or poor. It seems clear that the Freeholders themselves do not believe the present fosters administrative expertise.

Given the facts of turnover and reorganization, how could it? The average Freeholder spends about 2.7 years "specializing" in one area. But even this figure is somewhat misleading, *first* because in urban counties the turnover is higher. *Second*, there seems to be an inverse relationship between tenure and importance. A man may be in charge of finance for 1 or 2 years, but in charge of liaison with the Shade Tree and Mosquito Commissions for 6 years, or the Economic Development Commission for 12 years. Major services, such as health, education, finance and planning tend to be short-term tenures while the less important posts tend to be of longer duration. Research suggests that departmental committee chairmanships are often awarded on the basis of the amount of potential patronage (i.e. the number of jobs in the department). But from an administrative point of view, there is more reason for continuity in the

sophisticated area of finance than in the rather nebulous area of liaison with autonomous agencies, and certainly more expertise is needed in the other important areas cited where turnover is highest. *Third*, it is not uncommon on some Boards operating under committee arrangements for one man to have responsibility in very different areas at the same time. While he may have less administrative responsibility under this system, he is still substantially involved in administrative matters. Among the responses to the Commission's question; *What are your present areas of responsibility?*, we received the following sample answers:

TABLE IV-13
TYPICAL FREEHOLDER COMMITTEE ASSIGNMENTS SELECTED
FROM FREEHOLDER RETURNS

<i>Sample 1</i>	<i>Sample 2</i>	<i>Sample 3</i>
purchasing roads and bridges administration	legislation penal public works planning	welfare penal planning legislation
<i>Sample 4</i>	<i>Sample 5</i>	
buildings and grounds parks water mosquito control	roads and bridges health and welfare drainage personnel	

All this in less than three years. It is little wonder that both municipal and county officials believe substantial changes are in order.

There is reason to believe that with the Freeholders having virtually no legislative power, they are not the functional experts which our present system is supposed to produce. It is clear that they are tied to administrative duties which preclude their undertaking many other projects of a broader nature which, as at-large elected officials, they might wish to undertake to retain the confidence of their constituents. Yet, the system fosters and in fact demands that the Freeholder take a narrow view of county government.

If we are to strengthen the Board of Freeholders, give it legislative power and consolidate under it the many autonomous boards, agencies and commissions of the county, we must also give its members the time and mandate to be supervisors of all county affairs—not just administrators of single departments. *Any centralization of power in the Board of Free-*

holders clearly will necessitate liberating Freeholders from most of their current administrative duties. As 60% of those interviewed stated, "A Freeholder does not have the time to be both a good legislator and a good administrator."

E. The Need for Central Administrative Personnel

If the Freeholders are to be relieved of their administrative burden so they can provide the legislative and policy leadership the county needs, who will perform the administrative tasks? What will be the new relationship between administrator and legislator? To some extent, the answer to the second part of the question is a matter for local study and determination, based on the particular political situation and needs of each county. As we indicated in the previous section, the legislator frequently concerns himself with administration and the administrator or frequently plays a role in shaping legislation and policy, and so lines are hard to draw. Moreover, in different situations, the Commission's recommendations will seek to show that different types of relationships between the legislators, the executive, and the administrator may be desirable. But the following points hold true for all circumstances:

1. The primary responsibility for setting objectives, making policy decisions, and approving programs should and must rest with elected officials, as should the *ultimate* responsibility for overall supervision of county government and for evaluation of its operations and programs.
2. Within that context, the Board of Freeholders and the Chief Elected Executive, should have at their disposal the resources of a professional administrative staff, whose duties would include but not be limited to: handling of all paperwork and routine matters of administration; day-to-day supervision and coordination of all county programs and agencies; preparation of budgets and other fiscal statements; evaluation of programs and gathering data as requested by the Board of Freeholders; setting general personnel and other administrative policies applicable to all county agencies; preparation of all necessary elements for participation in federal and state aid or grant programs and similar liaison duties.

We envision the role of the professional administrative staff as being limited but necessary. Their presence should not decrease the power of the elected official but increase it to the degree that they free the official from the non-policy time-consuming aspects of administration.

The central professional administrative staff should not and cannot supplant the professional staffs in the various county departments and agencies. Under most forms of government stressing professionalization, the central administrator is directly responsible only for the administrative aspects of government. He may set general personnel and budgetary requirements for all agencies, but he is not directly involved with their

substantive aspects. For example, he may deal with the administrative aspects of engineering, but he would not direct the engineer in his professional work. The purpose of the central administrative staff is not to run every aspect and department of county government, but to coordinate programs and policies so that the government runs efficiently and effectively and in response to what the Freeholder Board decides should be done.

As the last section indicated, there is considerable feeling among municipal officials that the county government has a serious need for professional central administration, coordination of activities and establishment of good working relationships with municipal officials. Of the municipal functional officials interviewed, 76% felt that the county government could best be improved by adding professional administrative and management personnel to coordinate policies and programs. As we mentioned in the previous section, 78% of the mayors polled felt that poor administration and inefficiency were a major cause of the shortcomings they found in county government today.

There is a universal feeling on the part of municipal officials that the county is unable to coordinate its own scattered activities, much less to coordinate county plans and programs with municipal activities. By way of example, we cite the following three statements, the first from the center city of one of the state's largest and most urbanized counties, the second from a large town in a rapidly-growing county, and the third from a town in a predominantly rural county.

1. "The reason that service is poor is because of *lack of liaison* between the municipality and the county; there is none whatsoever . . . *some county programs are good, others are bad*; there is *no uniformity*, no coordination . . . *professional management* at the county level *would eliminate some of the problems*; it would be a good idea."
2. "Service is generally poor . . . *they do not understand our problems and do not consult us on their plans* . . . they seek solutions at our expense . . . *there are good and bad county officials and programs* . . . *existing county government is fragmented with no central or uniform administration of policy*."
3. "We only get county services we want after much pressure and heckling by the newspapers . . . there is *no coordination* or liaison with the county . . . in general, *services are uneven* . . . *many county officials are not as good as their municipal counterparts* . . . after years of intermunicipal planning for a sewerage facility, and a bond issue for millions of dollars, municipal officials found out, not through governmental channels, but in a casual way, that the county plans a duplicate plant. . . . *the whole problem lies in the Commission form and lack of professional management* . . . *there are no controls, no overall administration, no cooperation or coordination* . . . we must restructure county government, provide a management background, and spell out the duties and respon-

sibility of the professionals . . . *fulltime professional administrators under the Freeholders are very much needed.*"

Over 96% of the municipal officials interviewed felt that there was little or no real coordination of effort between counties and municipalities. This has led to confusion, duplication and waste, neglect and, perhaps most significant, it has jeopardized the confidence of municipal leaders and officials in the county. In the opinion of the Commission, competent professional management is vital if the county is to be allowed to assume a more important role in local government.

Moreover, the Commission's field work in other states indicates that where professional central management has come into county government, it has tended to improve personnel throughout county agencies. *First*, because it improves recruitment and training procedures. *Second*, because it can offer a more attractive organization within which uniform policies for personnel and salaries make employment with all county agencies more interesting to potential employees. *Third*, because in his role as the county's administrative chief, the administrative officer under the Board of Freeholders is better able to present to the Board the personnel needs of county government as a whole, to show them the need for increased staff, higher salaries, better benefits, in order to attract and retain staff. This in effect gives the department heads an advocate who can present personnel requests with greater authority and persuasiveness than they could, for he would have the time and staff to document the needs under discussion. Results in counties in neighboring states, such as Delaware and New York, show the central administrator and elected executive can do this with greater success than can the average department head at present.

In general, the Freeholders themselves felt that their departments might be better staffed. Just under 75% felt that their department personnel were only good or fair, and when asked why they cited the following reasons.

TABLE IV-14	
FREEHOLDERS' RESPONSES TO THE QUESTION: WHICH OF THE FACTORS BELOW DO YOU THINK ARE IMPORTANT CAUSES OF YOUR DEPARTMENTAL PERSONNEL PROBLEMS?	
<i>Problem</i>	<i>Freeholders listing factor</i>
Recruitment program	65%
Training facilities	73%
Salary levels	100%
Civil Service	65%

The fact that *all* factors were mentioned by almost all those polled indicates that the personnel problem is not a simple one of raising salaries, it involves an obvious need for a broad-gauged personnel program, something which can only be undertaken by a central administrative staff. If there is a serious need for competent professional management now, when the county has relatively few direct responsibilities and little authority to set new programs and goals, this need will be infinitely greater if the county assumes new responsibility and its elected officials are given the power to undertake new tasks.

The reorganization and centralization of the county's administration is an absolute necessity and prerequisite to the county's assuming a more responsible and significant role in meeting interlocal and area-wide service needs.

Many people, however, do not believe that "reforms" involving centralization of administration under professionals achieve beneficial results. They say: professional management sounds good, but it does not improve government and it increases costs greatly. Many elected officials fear that professional administration will lessen their power, and functional officials fear that professional administration will either cause them to lose their jobs or somehow cause them to lose their authority. We have tried to indicate that the opposite should happen. In any event, from what has appeared in this chapter so far, it should be obvious that the county cannot continue to be a viable unit of government without greater centralization and without professional administrative staff under the elected officials.

The remainder of this section will seek to show two things: *First*, professional central administration under elected leadership is recognized *in practice* by local officials today in New Jersey as being necessary. *Second*, there is no reason to believe that such administration raises costs; in fact, the evidence tends to prove the contrary.

Adoption of Plans for Professional Central Administration

In its county government research, the Commission undertook to determine what kinds of municipalities have adopted Faulkner Act Plans, the provisions of the 1923 Municipal Manager Act or an ordinance establishing the post of administrator. The conclusions of this research, as shown on the following pages indicate clearly that:

1. *professional central administration has been adopted mainly in the urbanized areas of the state;*
2. *the concurrence of urban problems, intermunicipal cooperation and professional management indicates clearly that professional central administration, combined with strong political leadership is recognized as a necessary part of effective government in meeting big problems.*

The following chart indicates the relation between urbanization and professional management. The Commission staff developed an index of urbanization based on fourteen factors, and then ranked the counties of the state according to that index (lowest score=most urbanized). The index scores appear in column 2; column 3 shows the percentage of municipalities with some form of professional central administration.

TABLE IV-15		
CORRELATION OF URBANIZATION* AND PROFESSIONAL ADMINISTRATION		
County	Urbanization Index	Percentage of municipalities in county with professional central administration
Essex	48	68%
Hudson	53	25%
Union	69	24%
Bergen	74	19%
Middlesex	77	20%
Passaic	86	31%
Camden	93	14%
Mercer	94	31%
Morris	121	23%
Monmouth	126	28%
Atlantic	162	4%
Burlington	171	20%
Somerset	175	5%
Cumberland	181	7%
Gloucester	188	4%
Cape May	190	6%
Warren	194	4%
Ocean	201	6%
Salem	215	0%
Hunterdon	239	0%
Sussex	246	12%
<p>* The index of urbanization will be reprinted in greater detail in a technical supplement. It is used here not to show exact correlation, but rather to indicate that in general the ten most urbanized counties are those in which the greatest number of municipalities have felt professional administration to be important.</p>		

Thus, there are clear indications that the pressures of urban problems and rapid development have led to the adoption of professional administration. And this may be true in more counties than the table shows, since a county may have administrators in one predominantly developed half but few in the county as a whole if the other half is rural.

The trend is clear. And the fact that these plans have been adopted over a 20-year period indicates that experience has on balance been

favorable. It is unlikely that most of the 160 municipalities with some form of professional central administration would have adopted it if it had not been successful elsewhere. Almost every major city in the state has long had such a plan. Given the size and complete fragmentation of our county governments today, should not even the smallest of them have professional central administration?

Another interesting finding of the Commission's research is the high correlation between interlocal cooperation and professional administration. The Commission's last report showed the counties of the state grouped according to the extent to which their municipalities cooperated with one another in providing services and other joint programs. It is important to note that the existence of interlocal cooperation is vital to good local government today, and therefore since interlocal cooperation can facilitate better services and possibly lower unit costs for services, the correlation between cooperation and professional administration is highly significant. The graph on p. 70 shows this high correlation between inter-municipal cooperation and professional administration.

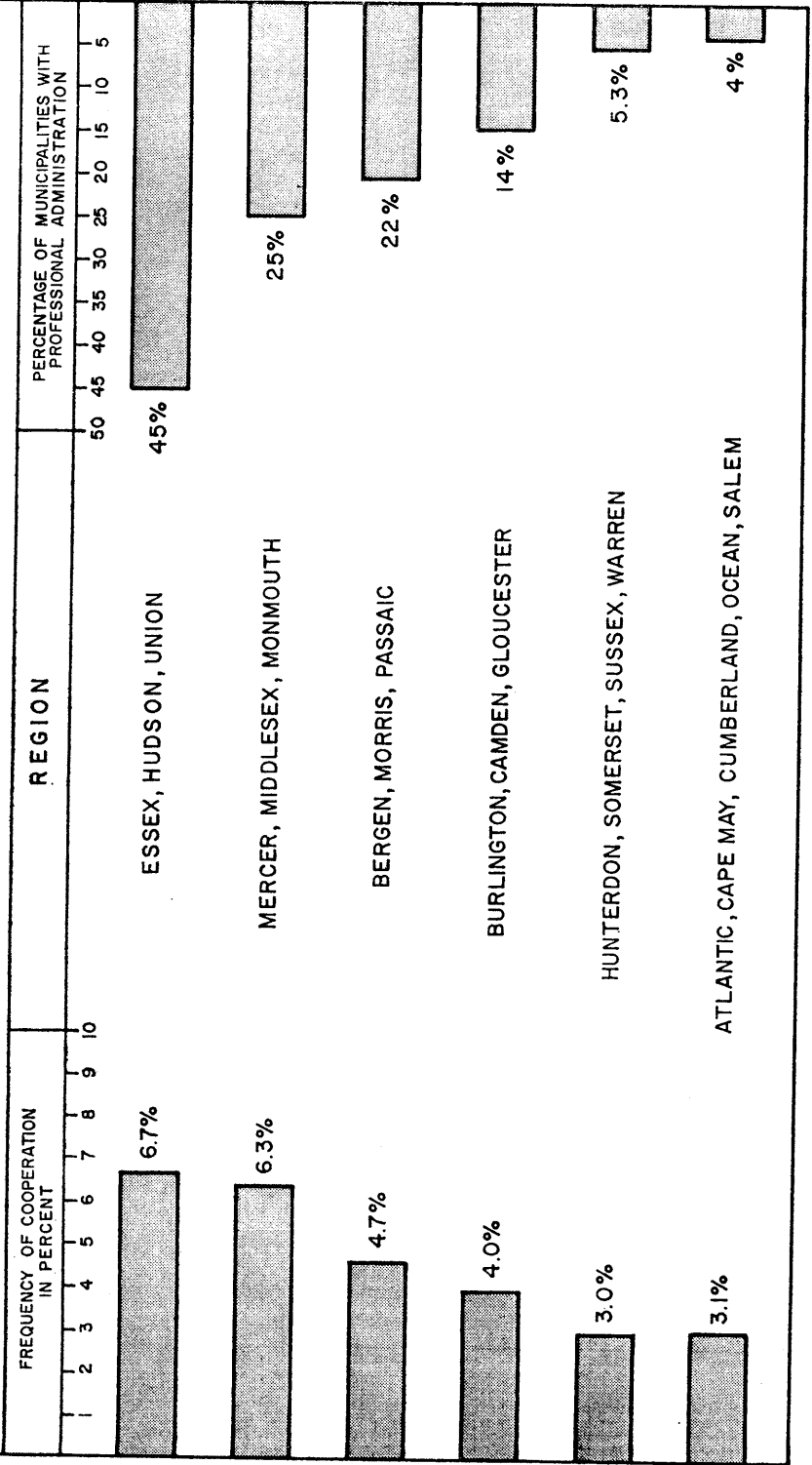
Interestingly enough, the need for plans offering professional central administration has been most clearly seen in those municipalities having commission or township committee forms of government. These are the two forms of municipal government which most closely parallel present county government in New Jersey.

TABLE IV-16			
FORMS OF MUNICIPALITIES WHICH HAVE CONSIDERED AND ADOPTED FAULKNER ACT PLANS ¹³			
<i>Type of Government (as of 1951)</i>	<i>Number of Municipalities</i>	<i>% had Faulkner Charter Study</i>	<i>% Adopted</i>
Commission (Walsh Act) . .	63	42%	25%
Township Committee	224	19%	12%
Borough Council	232	4%	2%

The above chart was drawn from a recent study by the New Jersey State League of Municipalities. The study also shows that optional charters have been particularly popular in large municipalities. The

FIGURE IV-1

A CORRELATION OF INTERLOCAL COOPERATION AND PROFESSIONAL ADMINISTRATION SHOWING THE MUNICIPALITIES GROUPED BY REGION



League study breaks the optional charter municipalities down by population with the following results.

TABLE IV-17			
MUNICIPALITIES ADOPTING OPTIONAL MUNICIPAL CHARTERS ¹⁴			
<i>Population</i>	<i>Total Number of Municipalities</i>	<i>Number Adopting a Charter</i>	<i>Percent Adopting a Charter</i>
Over 100,000	6	5	83.2%
50,000-100,000	8	5	62.4%
25,000- 50,000	33	14	42.1%
10,000- 25,000	103	13	12.6%
Under 5,000	118	9	7.6%
5,000-10,000	299	4	1.3%

Furthermore, the study points out that seven of the state's ten largest cities have adopted optional charter plans, that more than half of the state's 50 largest municipalities have either considered or adopted plans, and that nearly one-third of New Jersey's population lives in optional charter municipalities.

The smallest county in New Jersey has almost 50,000 inhabitants. Yet, 20 years after the adoption of the optional municipal charter law, counties do not have optional charters or any other plan for centralization and professional central management. Since municipal government recognizes that it requires professional administration to meet the challenge of urban problems and urban development, one can only assume that counties have an even greater need in view of their size, their present fragmentation, and the challenge they face.

Professional Central Administration and Costs

Whenever the question of centralized professional governmental administration is discussed, many opponents have raised the issue of costs, claiming that professional administrators, coming in at "high salaries" will be "big spenders", and that therefore the present system, "which has been o.k. so far", should be retained. We have tried to show that the present system has done anything but "o.k. so far," and that professional administration under elected policy leadership has been recognized by municipalities in New Jersey as necessary for adequate response to urban and developmental problems. We shall now, hopefully, be able to lay to rest the notion that costs will necessarily skyrocket with centralized professional administration.

Unfortunately, the advocates of professional administration have tended to argue this matter on faith rather than on fact. The result is usually a shouting match between the two sides, with the public left in

the middle somewhat confused. The following material, based upon data developed at the Rutgers University Bureau of Government Research, indicates that there is no evidence to prove that centralized professional administration causes a great increase in costs. In fact, there is evidence that centralized professional administration may well lower governmental costs.¹⁵

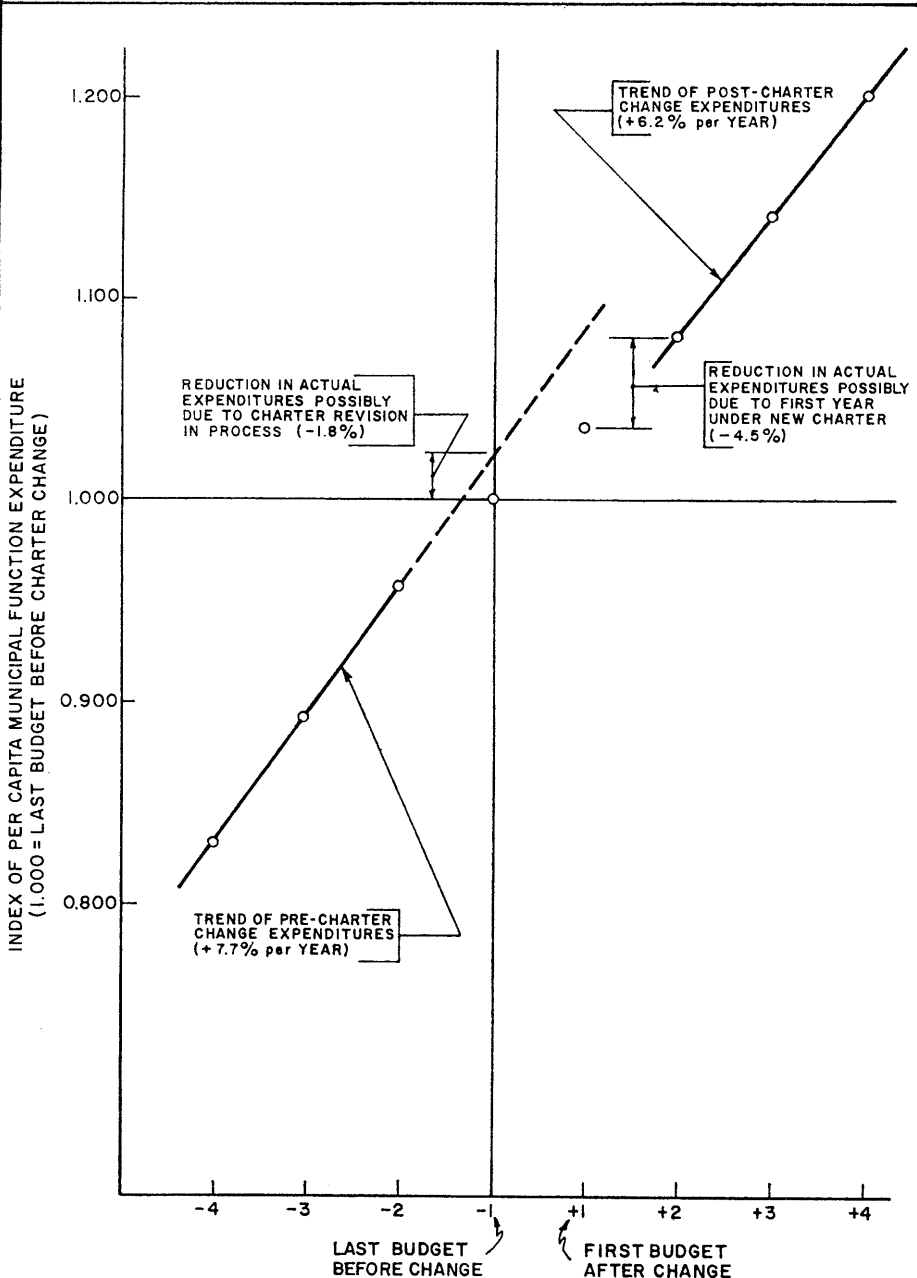
The Rutgers study examined the 31 New Jersey municipalities which had adopted mayor-council and council-manager Faulkner Act charters, *and* which had adopted at least four budgets under the new charter plans. On the basis of the budgeted per capita expenditures of these municipalities in the four years *preceding* their adoption of a Faulkner Act charter, the likely rise in municipal expenditures in the four years *after* the charter change was predicted. Then the difference between the *actual* per capita expenditure increases and the *predicted* per capita expenditures increases were observed.

The findings which can be expressed in quantitative terms were significant: the *actual* level of municipal expenditures in the *first year* under the new charters was 4.5 per cent below the *predicted* level; and the actual *rate* of expenditure increases was almost 20 per cent lower than the predicted rate, in the four years after enactment. (See Figure IV-2 on the next page.)

The Commission does not offer this as evidence that every county switching to a modern form of government will be able to decrease its anticipated expenditures, or that it will be able to realize great savings. *We do state however, that there is sound evidence to refute charges, heretofore taken on faith, that modern, professional government is necessarily more expensive government.*

FIGURE IV-2

TREND OF MUNICIPAL PER CAPITA EXPENDITURES
IN 31 MUNICIPALITIES BEFORE AND AFTER ADOPTION OF
MAYOR-COUNCIL OR COUNCIL MANAGER FAULKNER ACT PLANS



CHAPTER V

The Political Adequacy of County Government

Introduction

In examining the political adequacy of county government, we must make a distinction between political representation in general and the somewhat narrower area of party politics. A theoretical distinction is easier to make than a practical one. Perhaps the clearest example may be found in the person and office of the Presidency. The President is elected as the representative of his party, and even in office he is the head of his party—its standard-bearer. Yet, we all recognize that the office he occupies belongs to and owes performance to *all* citizens regardless of party, and that he must solve problems with a view which transcends party politics. In some areas, such as in foreign affairs, there has been for several decades an understanding that decisions and policies, while they are developed within the political decision-making process, transcend partisan debate and should be approached collectively.

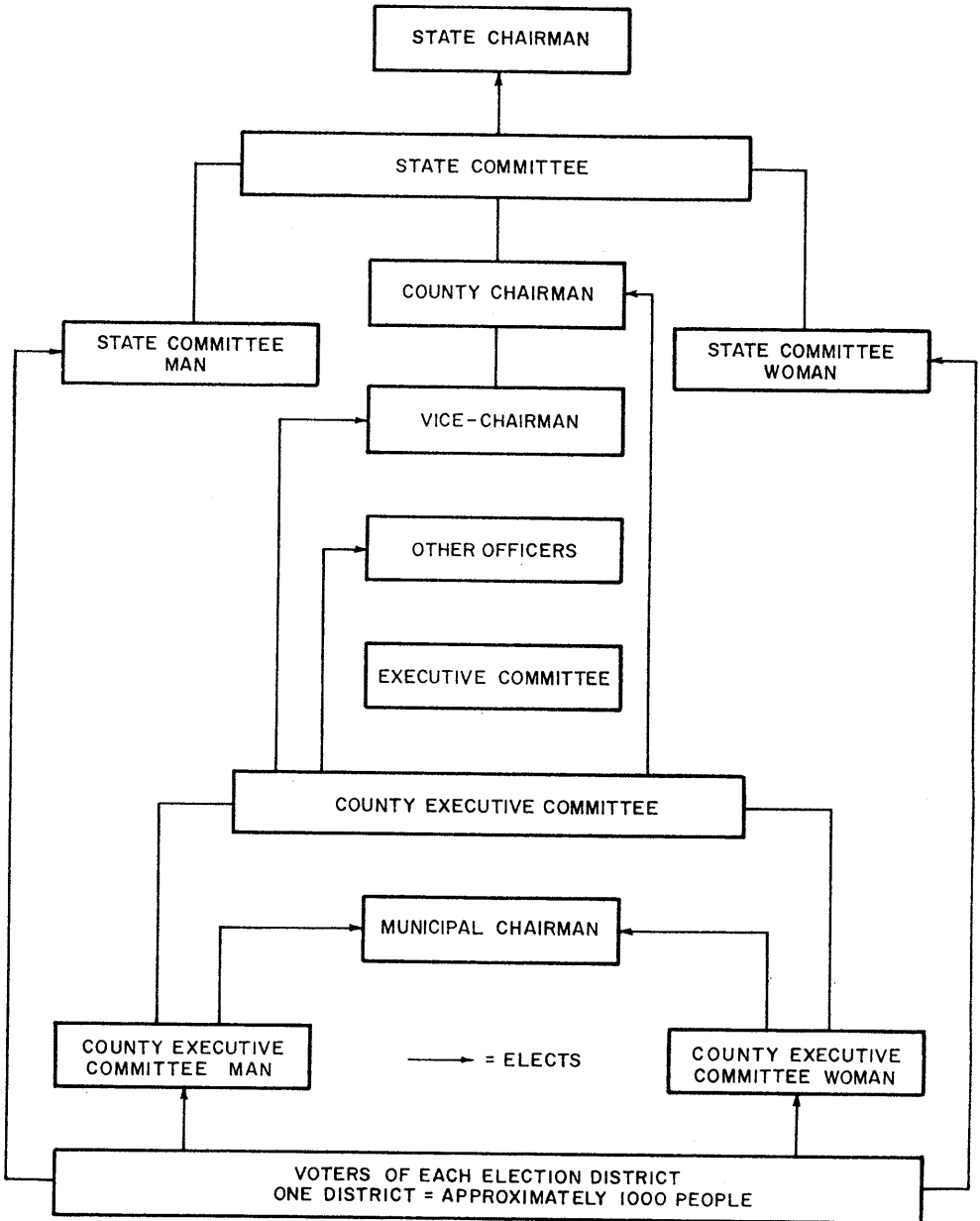
Similarly, in discussing county government, we must separate our analysis into areas of concern. One is the county's political adequacy in the context of party politics: the county in New Jersey is not only a set of jobs and offices which are the objects of political competition, but also the basic unit of organization for electoral strength in all major elections. The second area of concern is the broader area of citizen participation, confidence in county government, and the degree to which the county can and does reflect the needs and desires of its constituents in its policy decisions and programs. While the strength of county political organizations and the traditions which have built up over the years are a good base for a representative general government at the middle level, we must find ways to broaden political participation, to insure that all types of municipalities, groups and individuals are represented in county government and are active participants in its deliberations. County government will develop as a strong local government only to the degree that we accomplish this broadening of its political base.

The County as the Basic Unit in State and Municipal Party Politics

In New Jersey, as in many other states, the county is *the* basic unit of party organization. As the chart below shows, the county unit's position is emphasized both at the municipal level and at the state level. From every election district, one man and one woman are elected to the county executive committee.¹ These county committeemen and women select the municipal chairman annually in a meeting of all the county committeemen and women in the municipality. They also select the county chairman and other officers at a county-wide meeting. The chairman and the two state committee people from each county in turn represent the county on the state committee and elect the state chairman of the party.

FIGURE V-1

THE ORGANIZATION OF NEW JERSEY POLITICAL PARTIES²



The county organization is important for the following reasons:

1. a party's state committee depends on the county committees for mobilization of the electorate, and on the county chairmen for action on problems of a political and even of a governmental nature;
2. to local party organizations the county organization represents a source of funds for campaigns, jobs and other recognition for the faithful worker and leverage on county government in county-municipal conflicts;
3. the county organization proposes and supports the candidates who control county government, and thus the county organization which controls the courthouse controls hundreds and in some cases thousands of jobs.
4. the county leaders effectively determine who county and state candidates will be, and therefore both aspirants and incumbents must respect county leaders' wishes.

Any governor, legislator or state chairman must respect and court the good will of important county organizations and leaders, for the men and organizations which can mobilize the electorate are those on whom elected officials must depend for continuation in office. In New Jersey, the Democratic Party has been dependent on several large counties which normally produce heavy Democratic pluralities—Hudson, first and foremost, and such counties as Middlesex, Mercer and often Essex, Passaic and Camden. The Republicans, on the other hand, depend on such counties as Bergen, Atlantic, Somerset and Morris. In the past, the heavily urban areas were predominantly Democratic, the rural and suburban areas Republican. The picture is not as clear today, but one thing is certain: state leaders depend on the county as the basic building block of electoral power. Perhaps the most telling statement was made by a well-known political figure from a heavily Republican county during an interview with a Commission staff member.

Interviewer: You have just expressed a negative view about county government—you want to see it abolished. But yet you do not believe that abolition is a realistic possibility. I could see that if you were a Democrat you would oppose disbanding the county organizations like Hudson which you depend on, but why as a Republican do you feel county government will continue?

Mayor X: While I would like to see abolition, I do not believe that either the Democrats or the Republicans will ever abolish counties. The Democrats win because of their pluralities in a few big counties, but as long as we do not control both the legislature and the governorship, we need strong county organizations to build our strength. No, Republicans have as much

to lose as the Democrats if counties were to be abolished; besides, we control most counties.

It is clear that there is bi-partisan agreement on the importance of the county as a political unit. One sees county influence not only in local and state campaigns, but in national campaigns as well. Candidates for federal office will go out of their way to court powerful county leaders and to make stops during campaign trips to meet with them.

Contrary to what the average citizen may think, state committees are rarely as powerful as county committees, for while the state committee may have money, it does not control votes. In New Jersey, a state committee may be able to call on the Governor for support, but a county chairman or county organization may have 5 or even 10 legislators to call on; two or three county chairmen may well control the entire caucus of the legislature's leading party and therefore be as if not more powerful than the state committee. A Governor, then, is not likely to ride roughshod over the more powerful county organizations. Their position is reinforced by institutions such as senatorial courtesy, which further weaken the Governor's ability to go against them and their legislative representatives. While the day may come when legislators are not elected from counties, the constitution's reapportionment amendment specifically states that this practice should continue as long as practicable. County political organizations, then, may have tremendous influence in Trenton.

The picture is perhaps as clear in municipal organizations. In those counties where one party controls the courthouse, the county organization has a great deal of power over municipal chairmen. First, because in counties where one-party is dominant it is not uncommon for every municipal chairman to receive a job by way of reward for his services. Second, because in many counties the pay for many election workers comes from the county organization. Third, because the municipal chairman depends on the county organization for patronage positions for workers. Even the local district election-board workers are employees of the County Board of Elections and are paid well for their work at the polls each year. Other political appointments are even more important. For example, appointment to the County Board of Elections, in many counties almost a sinecure, may yield \$17,000 or more in four years. In other words, the county organization has many "carrots" and many "sticks" with which to tempt or cajole municipal organizations.

Party Politics and County Government

The Commission's only interest here is to discuss party politics as they effect county government today and as they effect the county's ability to grow to meet new tasks. As the following pages will indicate, there are both positive and negative aspects to the role party politics play in county government. *While some might say that party politics hamper county government, it must be added that without strong political organizations county government probably could not work at all.*

Previous chapters have shown that county government is highly fragmented, with officials being appointed by state officials, by Freeholders and by appointees of the Freeholders as well. In a sense, the county chairman or the county political organization is the one unifying factor. The Freeholders, as elected officials, depend largely on the party organization. Just under 50% of the Freeholders the Commission polled either have held or are holding elected posts in their party organization, and most of the rest have held other jobs subject to party appointment. Only 13% said their decision to run for Freeholder had resulted from contacts outside the party organization; and of the 80% who had been in primaries for Freeholder nomination, 93.4% had been the official organization candidate. Thus, the Freeholders are products of the system.

When asked whether they felt minority party representation on the Board of Freeholders was a good idea, only 14% felt it was. Similarly, when asked about relations with such officials as sheriffs, county clerks and surrogates, 70% said that relations were much better when they were all of the same party. The Freeholders are deeply involved in the political system and have strong party affiliations and loyalties.

Translated into practice, this means that they are responsive to the organization more often than not, and that their appointments will be of their own party. It means that both in staffing the jobs under their direct control and in filling vacancies on autonomous boards, agencies and commissions, selections will be made on a party basis.

The appointments made by state officials, too, are subject to county political control because of the influence of county organizations in the legislature and in the Governor's office. Posts on the election board, the tax board, the jury commission, the prosecutor's office, and even judgeships, are almost always made on recommendation of the county chairman. Indeed, most key state appointments are cleared with the chairman of the county in which the nominee resides. Thus, the county chairman of his organization has a great deal of power, if not the final word, in the selection of those officials appointed to county office by the state and state officials. Thus, while the Freeholder may not be able to control the state appointees, the county chairman probably can, or he can at least influence them substantially.

The power of county political leaders has a profound effect on the process of government and on the individuals involved in it. It is not uncommon, for example, to find that the county chairman directly involved even in the recruitment of county employees at all levels.

The Commission has been extremely interested in the relationship between the Civil Service and the county political organization's power to reward its workers with government jobs. Preliminary findings indicate that the Civil Service system as structured does not and cannot prevent the awarding of many jobs on a political preference basis, nor

can it undertake the near impossible task of policing the system against abuses by local officials. We do not submit this information to suggest that the Department of Civil Service is not doing its job. Nor does it wish to suggest that this political activity occurs only at the county level. We merely wish to indicate that popular misconceptions about the role which a civil service system plays may be erroneous for several reasons: first, the desire of local leaders to evade the safeguards of the system; second, the lack of resources of the Department of Civil Service—a lack which the Department has tried to dramatize and which they feel should be remedied—and third, the Department's lack of legal power to go beyond the present narrow focus of the system—to undertake the kinds of tasks which one might normally expect of a merit system.

In any merit system, there are numerous objectives. Chief among which are insuring that employees will not be fired because of political affiliation or without due process and sufficient cause, establishing reasonable classifications and procedures for hiring and compensating employees, and insuring that the best qualified men get the jobs.

In insuring that employees will not be fired because of their affiliations, Civil Service has accomplished its purpose. The very fact that appeals on this basis occur seldom, if ever, is a good indication of this. In dealing with the matter of classification, however, it would appear that the present system is not meeting needs. At the county level, reclassification (the process of reviewing all the county's personnel structure) is voluntary. Mercer County, for instance, has not had a reclassification study since 1958, and in the intervening 11 years the county and its responsibilities have grown tremendously. Furthermore, the Civil Service Commission does not have enough personnel to meet all needs. As the table below indicates, the ratio of Civil Service local government technicians to the county and municipal government employees they serve is 1 to 5,812.

TABLE V-1			
A COMPARISON OF CIVIL SERVICE LOCAL GOVERNMENT TECHNICAL STAFF WITH THE NUMBER OF EMPLOYEES SERVED ³			
Local Office	Number of Professional Staff	Number of Employees Served	Supervisory Ratios
Newark	11	62,000	1/5636
Trenton	3	17,000	1/5660
Camden	2	14,000	1/7000
Total	16	93,000	1/5812

Since each unit must have its own reclassification study—even if the unit has 15 employees—the staff of the Local Government Services Division is not adequate to meet county and municipal needs. There is some attempt to contract reclassification studies to consulting firms, but in view of the largely voluntary nature of reclassification and the fact that reclassification studies do not occur with great frequency as the following chart indicates, there is reason to believe that in the matter of Civil Service reclassification studies there is much to be done.

<div>TABLE V-2</div> <div>YEAR IN WHICH SELECTED COUNTIES WERE LAST CLASSIFIED BY THE CIVIL SERVICE COMMISSION ⁴</div>	
<i>County</i>	<i>Year</i>
Burlington County	1967
Hunterdon County	1967
Mercer County	1958
Middlesex County	1964 (Salary Survey done 1967)
Monmouth County	1965
Ocean County	1967
Warren County	1963

The Commission will study this area in great detail at a later date to determine what should be done, but it is fair to say that there are two courses open: either Civil Service administration should be decentralized, with counties and municipalities able to set up their own local civil service agencies under the general supervision and inspection of the State Civil Service Commission, or the State Department of Civil Service should be given the resources and legal authority to do a comprehensive job. In addition to the administrative reasons for paying more attention and devoting more resources to Civil Service in the coming years, we must bear in mind the tremendous implications of the emerging unionization of governmental employees. Good personnel management may well alleviate many of the problems which arise in government employee relations. In the face of what may well be an ongoing problem for many years, it behooves local government to make sure that its resources for personnel management are at a level where they are both competent and responsive, and that means having the staff to do the job.

As to the establishment of a true merit system, Civil Service cannot legally undertake this task today. If the local authorities certify that work was performed, the State Civil Service authorities cannot actually check the veracity of the local authority's certification. In other words, Civil Service cannot prevent the awarding of "no show" jobs if local authorities intend to award them.

In terms of the power of appointment, there is reason to believe that political leaders have fairly wide latitude. First, because there is usually some degree of selection even among competitive positions, and second because the majority of the county's jobs are not competitive or subject to examination, as the chart below indicates.

We have divided the counties into two groups—those with two strong and active political parties, where competition is keen, and those in which one party is almost continuously dominant. While one would think that in the one-party counties patronage would be more blatant, the chart below indicates that this is not the case. There is no reason to believe that there is less political patronage in competitive than non-competitive counties.

TABLE V-3				
A COMPARISON OF COMPETITIVE POSITIONS WITH NON-COMPETITIVE POSITIONS IN SELECTED COUNTIES ⁵				
County	Number Competitive	Number Non-Competitive	Total Employment	% Non-Competitive
Morris*	308	443	951	55
Burlington†	353	427	780	53
Warren†	110	216	326	66
Hunterdon*	117	136	253	52
Monmouth*	463	736	1,119	61
* = One party dominant. † = Neither party has complete dominance.				

The effect of political power upon county government is clear to even the most casual observer. At election time, county employees often become campaigners, whether they like it or not. During primary fights, county employees who do not at least show up to vote for the organization may be disciplined. There are numerous recorded instances of campaigning involving county officials and equipment. Of course, the county employees may well contribute cash as well as time. In 1961 study, New Jersey county chairmen were asked about the relation between themselves and county job-holders: 83% stated there was a "good understanding" between the job-holders and the chairman, and 57% said that the county leaders actually assessed the job-holder.⁶

This sort of system may be considered unbecoming, but this is the way it runs from the smallest municipality to the federal government itself. We do not say that all this is good, or bad, or even necessary, merely that it exists. Perhaps it is more blatant at the county level, but in any event the arrangement is probably the rule rather than the excep-

tion. Perhaps if we are to have political parties and elections it makes little moral difference whether a party "taxes" its job-holders or gets its money in "donations" from industries, utilities, quarries, and other "interested citizens". More likely than not, it does both. At the county level, however, more than at the municipal or state level, the party system may have beneficial effects.

Beneficial Effects of the Party System in County Government

Our discussion of the structure of county government shows that it consists of many dissimilar strands woven haphazardly together. There is no real central authority and no ability to coordinate policies and activities. It is doubtful whether anyone viewing it in theory would expect it to work. In practice, however, it has managed to do far better than anyone would or could expect under the circumstances. One reason is obviously the political system, to which most employees and officials owe allegiance. This means that even where official communications or relationships do not exist, the party organization may provide contacts. Where official relationships do exist, they are facilitated or improved by common political views; and in one-party counties the fragmentation of county government is probably mitigated to a great degree by the political party machinery.

If we look back at the origins of this fragmentation—the fear of political control of county services—it is ironic that the very efforts of the "reformers" made the strength of the party organizations more important. In effect, because of the legislative policy of deliberately fragmenting county government the county political leaders became the only people with access to and control over the entire system of county government, they also became more influential than they would have been under a more centralized system—a system which gave Freeholders or an elected executive some measure of autonomy.

Not only does the county organization facilitate county operations; it also serves its members, private and official, as a valuable channel of communication, service and favors. The county organization has two members or representatives in every election district. Thus, there are 2 Democratic county officials and 2 Republican county officials for every district of 1,000 people in New Jersey. Since the county organization is in a sense a service organization for its members, it serves individuals, groups and even municipal officials as a channel for obtaining good service and favors.

The following chart, based on a 1961 study first published in *Public Opinion Quarterly*, shows how county leaders view their role in terms of obtaining services and favors for citizens.

TABLE V-4
PERCENTAGE OF LEADERS WHO SAID THEY PERFORMED VARIOUS
TASKS TO HELP THE PEOPLE IN THEIR AREA ⁷

Task	Performed Often (a)	Performed Once in a While (b)	a + b	Never Performed
Helping poorer people get work	72	26	98	2
Helping deserving people get public jobs on a highway crew, in the fire department or police force, or in state positions	72	22	94	6
Showing people how to get their social security benefits, welfare, unemploy- ment compensation, etc.	59	30	89	11
Helping citizens with problems like rent gouging, unfair labor practices, zoning, or unfair assessments	54	30	84	16
Helping your part of town or some other political leader to get a needed traffic light, more parking space, more policemen, etc.	60	23	83	17
Running clambakes and other get- togethers for interested people even though no campaign is on	45	36	81	19
Helping citizens who are in difficulty with the law. Do you help them get straightened out?	62	17	79	21
Helping newcomers to this country, like the recently arrived Hungarians, to get adjusted and get places to live and work	39	30	69	31
Working with some of the other party's people to reduce friction and keep the campaign from getting too rough; occasionally helping some of their people with their problems	49	18	67	33
Helping boys with military service problems; advising on the best way to serve	43	17	60	40
Lending money to people having a tough time making ends meet	32	17	49	51
Helping tradespeople with their licens- ing problems, like electricians, plumbers, etc.	31	16	47	53
Helping deserving people in the competition for contracts, leases, rents, and insurance which the city and county must award	20	18	38	62

A county chairman may help his constituents' relatives to get into the United States, thus involving him with federal officials. Or as in other attempts to obtain governmental favors or services for an individual or group constituent, he may deal with state or municipal officials.

The Commission staff polled the Freeholders on the subject of contact between themselves and party officials seeking favors for voters who had come to the party leader for help. Almost 79% of the Freeholders reported such contact to be significant.

The political system, then, acts as:

1. a mechanism for communicating needs and desires from the local level to the county, as well as from the county to the state, and even to officials and powers in other counties;
2. as a unifying factor in county government, giving it a degree of cohesion it could not possibly achieve through its structure.

The political system, because of its importance and its vitality, in a sense *makes* the county. It gives the county a base which, though partisan, can serve to build a constituency for representative, area-wide or middle tier government. And, it is a beginning for political adequacy in the broad sense—which will be discussed next.

County Political Adequacy in the Broad Sense

In discussing the county's political adequacy in the large sense, we shall review the county record in terms of the extent to which:

1. county leaders feel they have accurately assessed their constituents' needs and have effectively acted to meet them;
2. there is adequate communication between county leaders on one hand and individuals, municipal and other government officials and special groups on the other;
3. the constituents of county government—the recipients of its services—think there is adequate communication, recognition of need and performance.

Again, we must remember that we are discussing county government *today*. The discrepancy between the recognition of a need and the provision of service cannot necessarily be attributed to the county's elected official or to the county government. It must be attributed to the system itself which, as we have seen, makes effective delivery a dubious possibility.

The Freeholder Views His Role

By and large the Freeholders view their position broadly, believing that their job includes a wide range of functions as the chart below shows.

TABLE V-5
RELATIVELY IMPORTANT GOALS OF COUNTY GOVERNMENT
IDENTIFIED BY THE FREEHOLDERS

<i>Important Goals</i>	<i>Freeholders Who Agreed</i>
Attracting more business and industry . . .	92%
Improving public services	98%
Keeping the tax rate down	98%
Providing open spaces, parks, recreation .	100%
Maintaining good racial relations	95%
Protecting property values	95%

As the discussion in Chapter III indicated, the Freeholders and county government have made great strides in the past decade in providing vitally needed services. They range from county health programs to airports, county planning, vocational schools, community colleges and other important area-wide services. And this has been done in the face of serious legal, fiscal and organizational problems.

Even in terms of reform, the past decade has seen widespread recognition among the Freeholders that the counties themselves should lead the effort to improve county government. The New Jersey Association of Chosen Freeholders has made important contributions by sponsoring progressive legislation. They have conducted extensive research into county fiscal affairs and county administration in an effort to document and expand our knowledge of these areas, and they have sponsored numerous seminars and forums for both new and incumbent Freeholders in order to stimulate communications and impart necessary skills and information. In addition, they have encouraged other groups of county officials to meet regularly. The effect of these meetings was witnessed by the Commission staff on several occasions when discussion among officials from different counties gave the participants knowledge of new techniques and legislation which obviously save the counties many hours and dollars. The Association has worked closely with the Commission in its study and extended every cooperation possible. Moreover, it has publicly urged optional charters, increased county home rule and other important steps toward improving and strengthening county government.

Some of the counties and their Freeholders have taken important steps. There are now four county administrators who were appointed during the past two years and, while their powers are limited, they represent a step in the right direction. In addition, Essex, Middlesex, Bergen, and Somerset counties have all made studies aimed at reorganizing and improving their government. The Bergen study, in fact, resulted in a charter which was submitted to the legislature early in 1969 for approval.

It is clear that the Freeholders recognize the major problems of county government. Individually and collectively they must be given great credit for this and for the attempts they have made to act on problems. But as the charts which follow show, they suspect that perhaps their constituents do not recognize their efforts so clearly.

TABLE V-6				
FREEHOLDERS' RESPONSES TO THE FOLLOWING QUESTIONS:				
<i>Question 1</i> How would you assess your county's record in meeting needs over the past five years? <i>Question 2</i> How do you think your constituents would assess your record?				
<i>Percent answering</i>	<i>Excellent</i>	<i>Good</i>	<i>Fair</i>	<i>Poor</i>
<i>Question 1</i> (Freeholders' assessment) . . .	32.1%	44.8%	23.1%	0
<i>Question 2</i> (Constituents' assessment) . . .	14.2%	50.0%	35.1%	0

How the County's Constituents View County Government

In general, both elected and appointed municipal officials believe the county is filling a needed role in local government, but, as our figures indicate, they think that the county's performance has been less than adequate:

TABLE V-7		
LOCAL OFFICIALS' RESPONSE TO THE QUESTIONS:		
<i>Question 1</i> Has the county been filling a needed role in New Jersey local government? <i>Question 2</i> Has it done so adequately?		
	<i>Percent Responding Yes</i> <i>Question 1</i>	<i>Question 2</i>
Mayors	69%	51%
Municipal functional officials (Appointed)	83%	32%

There are, of course, many reasons why municipal officials feel that way. Table V-8 shows the major reasons listed by the mayors.

TABLE V-8	
MAYORS' RESPONSES TO THE QUESTION:	
Why has the County not performed adequately?	
<i>Reasons</i>	<i>Percent citing reasons</i>
Inadequate county powers	55%
Inadequate county finances	51%
Unfair distribution of county funds	76%
Lack of central leadership and direction	65%
Inadequate or insufficient county personnel	44%
Political character of county government	44%
Poor administration and inefficiency	78%

The Freeholders are sensitive to the problems involved. There is a remarkable correlation between what the mayors said about county government and what the Freeholders thought they would say.

TABLE V-9				
COMPARISON OF MAYORS' ASSESSMENT OF COUNTY GOVERNMENT AND FREEHOLDERS' PREDICTIONS OF WHAT THEY WOULD SAY				
	<i>Percentage rating county government as:</i>			
	<i>Excellent</i>	<i>Good</i>	<i>Fair</i>	<i>Poor</i>
Mayors	18%	45%	31%	6%
Freeholders' prediction of Mayors' response	14.2%	50%	35.1%	0

Clearly, there is a degree of understanding in our municipalities of county problems. In fact, the mayors, as the following chart indicates, felt that the county had a significant role to play in spite of the county's problems and shortcomings as they perceive them.

TABLE V-10	
MAYORS WHO SAID THE COUNTY PLAYED A SIGNIFICANT ROLE IN THE PERFORMANCE OF GOVERNMENTAL SERVICES	
<i>Service</i>	<i>Percentage Feeling County Had Important Role</i>
Health	48.6%
Roads	67.8%
Engineering and Drainage	50.4%
Planning	55.7%
Records and Vital Statistics	55.7%
Attraction of Ratables	30.0%
Colleges and Vocational Education ...	68.1%
Law Enforcement	34.0%
Social Services	44.2%
Parks and Recreation	55.7%

In discussing the county's relations with municipal leaders, one must remember that the issue is not one-sided. In the Commission's survey, 21% of the Freeholders indicated that their relations with the municipalities were fair to poor. They cited the following reasons:

1. difference in county and municipal constituencies;
2. lack of county power;
3. lack of integrated, centrally-directed county government;
4. personality conflicts.

In addition, the Commission's interviewers in 65 New Jersey municipalities reached the almost unanimous conclusion that all too many municipalities do not really know what the county does for them or should be doing for them. In some measure, this may be traceable to a definite lack of communication on which we have commented earlier. In part, however, it is evident that cooperation and communication form a "two-way street". If municipal officials attempt to know more about the county and to integrate their programs with county programs, the situation will improve. Later in this report, possible solutions to this problem will be presented.

In general, it is clear that while obvious problems exist and officials are acutely conscious of them, there is no reason to believe that a strengthened, centralized and improved county government could not in time acquire the confidence of municipal officials. At this point a bit of irony must be noted. It is precisely in those counties and municipalities with the greatest urban and developmental problems in which the greatest antipathy to county government exists. (See Table IV-11.)

TABLE V-11

MAYORS' RESPONSES TO THE QUESTION: Is the county currently filling a needed role in New Jersey's local government system? (answers grouped by municipal tax group and by county and degree of county's urbanization)

A. Mayors' Responses by Tax Group

	<i>Yes</i>	<i>No</i>
Municipalities with True Value Tax Rate of over \$3.00 per \$100	56%	44%
\$2.23-\$3.00 per \$100	85%	15%
Below \$2.25	92%	8%

B. Mayors' Responses Grouped by County and by County's Urbanization

	<i>Yes</i>	<i>No</i>
Group I. Heavily Urban—Essex, Hudson ...	40%	60%
Group II. Urban—Bergen, Middlesex, Passaic, Camden, Mercer	60%	40%
Group III. Suburban—Morris, Monmouth ...	56%	44%
Group IV. Suburban Developing—Atlantic, Burlington, Somerset, Cumberland ...	84%	16%
Group V. Rural Developing—Gloucester, Cape May, Warren, Ocean, Salem	80%	20%
Group VI. Rural—Hunterdon, Sussex	75%	25%

On the other hand, interest in county reform is strongest in the urban counties, as was pointed out earlier. The problem is a pressing one, however, and it is clear that if the county is not soon equipped to meet the needs of urban and developmental communities, it will be unable to reverse the negative attitudes that hardpressed officials in urban areas have toward county government.

In the Commission's interviews with state officials, the general response to county government tended to be favorable, although all felt that the county in many instances did not have either the powers or resources at present to perform many area-wide services adequately. The principal impression, however, was that the county was regarded by almost all state agencies as a potentially important unit, and would be looked on even more favorably if it were strengthened and given the legal, fiscal and administrative muscle needed to undertake greater tasks.

It is almost impossible to gauge the extent to which the general public either understands or appreciates the county. In the first place, no one receives a county tax bill. People know what municipalities are, what schools are and what the state is (through the sales tax if nothing else), but most people have no visible connection with county government, unless they are receiving some "social" service or welfare payments.

On one hand, voter participation in county elections seems quite high. As the following chart indicates, almost everyone who voted in elections during the three years surveyed voted for county as well as state and federal candidates.

TABLE V-12			
VOTES CAST FOR COUNTY OFFICES, ALL COUNTIES: MEDIAN PERCENTAGE OF TOTAL VOTES CAST ⁸			
<i>Election For</i>	<i>1957</i>	<i>1962</i>	<i>1967</i>
Freeholder	92%	95%	93%
Constitutional officer, (Clerk, Surrogate, Sheriff)	92%	94%	94%

It is clear that people do vote for candidates to these offices. But whether this is attributable to real involvement in the system or to some other factor, like party loyalty, is difficult to determine.

Another indication of citizen interest might be attendance at County Board of Freeholders' meetings. Here the results are somewhat revealing.

TABLE V-13		
FREEHOLDERS' RESPONSES TO THE QUESTION: How many people on the average attend your public meetings?		
<i>Number of People Attending</i>	<i>Percentage of Freeholders Reporting</i>	
0-5	35%	} 66% reported less than 15 people attending each meeting
5-10	20%	
10-15	11%	
15-20	5%	
20-25	8%	
25-30	5%	
over 30	8%	

In other words, the average bi-monthly Freeholder meeting draws as few and probably fewer people than the average meeting of the governing body of a town of 10,000 people or less. Moreover, of those who attend the meetings only 39%, or 3 or 4, are interested, independent citizens. The others in attendance are political or organizational representatives who attend all such meetings. The point is strengthened by the fact that 86% of the Freeholders say that attendance has not increased over the past few years. How, then, do people find out about county government? According to the Freeholders, they do so primarily through the newspapers.

TABLE V-14	
FREEHOLDERS' RESPONSES TO THE QUESTION: What is the primary way county residents find out what county government is doing?	
<i>Most Important Source of Information</i>	<i>Percentage of Freeholders Responding</i>
Mailed correspondence from the county	2.3%
Newspapers	87.8%
Public Hearings and Meetings ..	5.3%
Radio, T.V.	0
Speaking engagements, Informal Meetings	2.3%
They do not find out	2.3%

The last answer was written in on the questionnaire form, and it probably should have been offered as a choice. That there is a marked apathy toward attending county meetings is confirmed by the fact that at the five public hearings on the Bergen County Charter, held at different places around the county, an average of twenty-five people attended, most of them from interest groups concerned primarily with their own special situations.

Over the past six months, the Commission has conducted an informal survey of the county news reported in the press. The conclusion is that, with the exception of the annual flurry of articles about tax rises and welfare costs, county news appears prominently only in rural areas. One gets the impression that in urban areas the county is not a point of interest, much less one in which interest could be sustained on a daily basis.

It is particularly interesting that none of the Freeholders put radio and television in first place. During the past few years, the Freeholders' Association has been carrying on a fairly intensive public information

campaign on county government in cooperation with New Jersey radio stations.

A major problem, which is unfortunately not within the scope of this report, is the gross discrimination practiced against New Jersey by the mass media in New York and Philadelphia. As stated in Newark's application for a Model Cities' demonstration grant, because of this discrimination, "most New Jerseyans are more familiar with Mayor Lindsay's personal habits than with Governor Hughes' public policies." Any regular reader of the New York *Times* or viewer of New York television stations knows that legislative news or other governmental news of great importance to the five million New Jerseyans within range of these media is given scanty or no coverage. Eugene Nickerson and Nassau County are probably better known to most North Jerseyans than the names of any two of New Jersey's 13 northern counties.

It must be noted, however, that the problem of public apathy is not unique to New Jersey. In fact, in an interview with the Commission staff it was pointed out that during a recent election campaign an average of 2 out of 3 residents of Nassau County did not know who the incumbent county executive was. But it appears that no one knew who his opponent was either, and he won handily.⁹ The fact remains that New Jersey's news is not given the coverage which the number of New Jerseyans in the greater New York area warrant.

Summary and Conclusions

In terms of *party politics*, counties have proven more than adequate. While one might hope that the most flagrant abuses of our system would not find their ways into our county governments, the important facts are: 1) county government, its level and the men running it today are far above the level of 30 years ago; 2) party organization has played a necessary role in holding the fragmented county system together; 3) the use of the county as the basic unit of political organization has caused the development of a fairly good system of communications from the local to the county level, and perhaps even a better system than government itself enjoys; 4) this set of traditions, organizations and channels of communications is extremely useful and necessary if we are to build an area-wide local government which really reflects the needs and desires of the county's residents.

In terms of the county's political adequacy in the *broad* sense, it is clear that to a significant extent the Freeholders have both a broad view of their role and a sensitive knowledge of their constituents and of political realities. Appointed municipal functional officials and elected officials alike, while finding great inadequacies in county services do on the whole view them objectively.

While there seemed to be particular antipathy to the county in urban areas, the Commission concludes that if the proper changes can be made in

county government and if county-municipal cooperation and planning are institutionalized, the situation will improve significantly. The county will win the confidence of its municipal constituents. Similarly, structural, legal and administrative improvements will strengthen the already existing state confidence in the potential of county government.

Finally, the question of mobilizing the public: one of the most crucial questions facing government at all levels, especially local government, is the question of how to interest and involve the voter and taxpayer—how to give him some understanding of government and confidence in it. Obviously, there is no easy answer to this question, but in Chapter VII we shall discuss steps which we believe will help the county build the confidence of all its constituents. Without that interest and confidence, the county can never become an effective, representative, general government at the middle tier.

CHAPTER VI

County Government in Other States

The Commission feels that, in spite of its present problems, the county in New Jersey is the most suitable building block for area-wide local government. It is worth noting that many other groups in other states across the nation have reached the same conclusion, for the county has in the past few years become the focus of much interest and effort in attempts to strengthen local governments by enabling them to meet area-wide problems caused by growth and urbanization. As the following pages will show, there are several ways to achieve creative county-municipal partnership and the Commission has sought to explore all possibilities which may be relevant and productive if applied to the New Jersey situation. But the basic point remains that even where methods are different from what might be used here, the increasing use of county government is a national trend and obviously a successful one.

The Commission undertook a survey of county governments in other states, with the aim of identifying successful county plans which might be adaptable to the New Jersey situation. During the course of its work, the Commission examined county government in: California, Delaware, Florida, Louisiana, Missouri, New York, Ohio, Pennsylvania, Tennessee, and Virginia. In addition to office-based research, the Commission conducted field trips to neighboring states and telephone and mail interviews with officials in distant states. The full report of the Commission's investigation in this area will be published as part of the technical supplement to this report, but for the purpose of this discussion, it is sufficient to note that county governments in other states operate in three basic ways in terms of their relationships with municipal and state governments:

1. *the consolidation approach*: in which there is an actual consolidation of city and county government;
2. *the two-level or federal approach*: in which the county assumes the responsibility for performing certain functions while the municipalities perform others (analogous to the division of powers between the federal and state governments) ;
3. *the cooperative approach*: in which there is no clear separation of jurisdictions, but the county may and usually does provide municipal-type services to those municipalities which are willing to contract for them.

The consolidation approach seems to be of limited usefulness. Its major examples have been the result of 19th Century legislative action (as in the cases of the New York and Philadelphia city-county consolidations) or have taken place in the south (as in the cases of the Baton Rouge-East Baton Rouge Parish, Louisiana; Nashville-Davidson County, Tennessee,

and more recently Jacksonville-Duval County, Florida). As the southern county is much stronger in comparison to New Jersey counties, city-county consolidation did not represent the violent departure from tradition that it would in New Jersey, where we have a history of strong municipal government and no unincorporated areas under the county's exclusive jurisdiction. The two-level approach which has been most successful in Miami, Florida (as well as in the Toronto, Canada area) has much to commend it. In fact, the ultimate aim of the Commission—to reallocate functions among the three levels of government in the most rational and efficient manner—is similar in concept to the basic principle of this two-level approach. Since we have not undertaken the functional studies on which such a reallocation would be based, however, we must at this time say that an opinion on the utility of this approach should be reserved until a later date.

In the meantime, the cooperative approach holds the greatest potential for New Jersey. In Los Angeles County, California, the Lakewood Plan is a good example of what can be done. The county offers a "package of services" to all municipalities. The municipalities in turn are free to take as many or as few services as they like. All 76 municipalities in the county receive services on a contractual basis. While two cities have contracted for only two services, six cities have contracted for all 35 services the county offers. Each city, then, has its own "package", determined by its own needs and desires.

This approach has worked well in Los Angeles, in St. Louis, Missouri, as well as in Cleveland, Ohio. The Commission believes that it can be of great value here in New Jersey. Its implementation will be considered as part of the Commission's next study, voluntary interlocal cooperation.

Any attempt to modernize county government and to give it new responsibilities rests on the assumption that county government itself is so structured that it will be able to meet the new duties assigned to it. This means that the county must overcome the problems which have been discussed at length in preceding chapters of this report. In modern county governments in other states, the traditional forms of county governments—similar to those in New Jersey at present—have been replaced with new forms and structures. Some counties—such as Dade County (Miami) in Florida—have county managers who act as strong administrative and executive leaders, even though they are appointed officials. Some counties have placed strong leadership in an elected chief executive, with powers similar to those of the President or a Governor. Among such are many urban counties which resemble New Jersey's counties in terms of problems and needs. The Commission conducted personal interviews with several such elected executives and their staffs, particularly in Nassau County, New York, and New Castle County, Delaware. The results of these examinations of county government structure in other states are an integral part of the Commission's development of model county government forms which will be proposed for adoption by New Jersey counties and are reflected in the alternative forms offered in the final section of this report.

There is no question that nationally and in New Jersey, county government can become an important partner in local government, in strengthening and improving local government's effectiveness and efficiency and ability to meet the grave challenges which threaten it today. As this report has emphasized, however, the county must make great changes and improvements in its structure before it can fill this needed role—before it can assume the creative local role which counties in other states have. The Commission therefore feels that in New Jersey the only sensible attempt to solve the problems of government at the middle tier is a pragmatic and flexible approach combining county structural modernization with other strategies to meet our area-wide responsibilities. The remainder of this report will be devoted to describing the first steps which state, county, and municipal leaders must make to begin achieving these goals of creative localism.

CHAPTER VII

Recommendations for Improving County Government

In the preceding chapters we set forth the reasons for the Commission's proposal to improve and strengthen county government rather than try to abolish it and replace it with another area-wide unit. We have surveyed the effectiveness of counties in other states, and we feel that there is great potential in the county—potential which if fulfilled would strengthen and revitalize our entire local government system in New Jersey.

There are significant problems and shortcomings in county government today—as the evidence in the preceding pages of this report suggests. In response to these problems, the Commission has prepared the following recommendations as a series of *first steps* toward gearing county government for a new and creative role. These recommendations may seem far-reaching and long overdue—and they are—but yet they are only a beginning. If creative local government is to become a reality, state government, county government, municipal government, newspapers, individuals and groups, all must do their share. The basic assumption on which the system of local government rests is that all will assume part of the burden and responsibility. Without such continuing citizen and group involvement, local government simply cannot meet the problems which challenge it, and today's problems will grow until they can and must be solved only by state and federal government.

If county reform does not soon become a major objective of municipal government and citizen leaders, as well as of county and state government leaders, no legislative program can accomplish our real objective—the strengthening and improvement not only of county government, or municipal government, but of local government as a *whole*—as an ideal and a living tradition.

Thus, these recommendations are a series of first steps; they will be followed by more legislation, they must be followed by more participation—by active partnership, trust and confidence if our local government system is to survive and flourish in the face of the tremendous crisis confronting it today.

A. Legal Adequacy for County Government

As the material in Chapter II indicated, the county has virtually no power today. It is not a general government like municipal, state or federal government. It has no law-making power, no power to assume new duties, nor even to regulate how its present duties are per-

formed, and it even lacks power to insure that the moneys it must raise and give to independent agencies are spent well. In other words, county government today is barely a legal entity.

If county government is to run efficiently, the county must have the right to organize and control effectively and economically the services it provides and the agencies providing them. The Freeholders as elected officials must have the authority to see that tax money is being spent with a minimum of waste, inefficiency and duplication. Municipal, state, federal governments have such power and use it to good advantage. Giving the county power to reorganize itself as it sees fit is a prerequisite to efficient government.

This right would not change the basic *obligations* the county has to the state in any way whatsoever; only the legislature in its wisdom can do that. The legislature has complete power over counties and municipalities; it could abolish them all today if it wished, and this constitutional power cannot be delegated or abdicated even if the legislature wished to do so. All the proposed grant of authority would give to counties is the right to reorganize themselves within whatever limits the legislature may now or hereafter set. By way of example, it does not give the county the right to stop providing welfare or mosquito control services; it just means that these services can be provided, if the county wishes, in a regular department rather than by an independent agency, the personnel and equipment of which may well duplicate existing services. The counties' obligations remain the same, but they are given some latitude as to the organizational structure they wish to employ in meeting these obligations.

If counties are to be given any new responsibilities, and are to become an effective part of the local government partnership, they too must have legal authority to initiate new programs which local leaders feel will benefit the area.

The Commission believes that restructured county governments should eventually be delegated fairly broad powers to initiate new area-wide programs where they would not conflict with state or municipal programs. If a county wished to establish a beach-erosion program, or to run a bus line, or to establish a wildlife preserve, it should have the power to do so alone or in cooperation with other units of government without having to get special or specific legislation for every project. It is cumbersome, wasteful and time-consuming both for local government and for state government to have every single innovation or change, no matter how minor, go through the state legislative process before local government can benefit from it.

As the Commission's first report pointed out, many rural and developing municipalities are extremely large in land area and sparsely populated. Providing needed services is either impossible or extremely costly for the individual municipality, and where it is done it must in many cases be done through the establishment of special districts, author-

ities, and other small and autonomous units, thus further fragmenting local government. It is the Commission's contention that an efficient county unit could provide many of these vital services on a voluntary contract basis, thus avoiding the creation of more governmental units, waste, duplication and, worst of all, inadequate or non-existent services.

The third area in which the county needs legal authority is in terms of its relations with state and federal governments. As a coordinating and local planning unit, the county should have the authority to enforce or administer many programs which may now be handled inadequately or inefficiently from the state and federal levels, and to work on common problems with other county governments.

The county must also have legal authority if it is to become the representative of municipal and other local interests in dealings with higher levels of governments.

As a word of clarification it is necessary to state here that the Commission does not believe that the county should replace the municipality as the broad repository of local government powers. In developed areas, many municipalities have highly modern and sophisticated administrations, and most have a full or nearly full complement of service personnel, and thus in urban counties existing municipal agencies may be meeting needs effectively.

The county's primary role should not be to supplant municipal power, or state power, but rather to do better what it does now and to perform those tasks which cannot adequately be performed by one municipality or a group of municipalities and which should not be performed by state and federal governments because the problems are local in nature. The Commission proposes the county as a partner in a creative local government system—not a replacement for it.

The Commission will therefore submit legislative proposals embodying the following recommendations:

1. *that counties be given the authority to reorganize their structure to meet changing circumstances and to realize maximum efficiency and economy;*
2. *that counties be given the authority to enter voluntarily into service agreements with municipalities and all other governmental units, in order to provide jointly services which any party to the agreement is legally empowered to provide;*
3. *that restructured counties eventually be delegated the authority under general law to initiate new services and programs where desirable and where such services and programs do not conflict with existing municipal, state and federal programs rendered;*

4. *that county Boards of Freeholders be given sufficient legislative authorization to enact whatever ordinances* or resolutions are necessary for the reorganization of county government (such as the adoption of an administrative code), for ratification of inter-governmental agreements to which the county is a party, for establishing procedures in finance, personnel and other administrative areas of present or future county activity, and for whatever additional legislative power is necessary to insure proper and efficient use of county equipment and resources, effective administration of county programs, and solution of problems to which the programs have been directed.*

B. Fiscal Adequacy for New Jersey Counties

As long as 60% of the county's resources are devoted to the performance of mandated state duties—duties which should more properly be assumed by the state government—the county is severely limited in the range, depth and quality of the locally-oriented services it can offer. These mandated services are growing at a rapid rate in counties of all types and are imposing a particularly heavy burden on the urban counties which must meet so many other problems with their limited resources. Because of the magnitude of these mandated state costs, county government's ability to grow with local problems, to meet inter-local needs before they become area-wide problems, is severely circumscribed, and becoming more limited every year.

As a result the traditional reluctance of the legislators of both parties to impose new taxes at a state level, our local problems have grown almost out of control, and today our older municipalities and counties, the inner city and residential suburb as well as the rural area, are being forced to tax the homeowner almost beyond endurance through the real property tax. In the past, temporary solutions have been adopted by state government. Last year, for example, the Legislature reduced from 50% to 25% the county contribution toward the cost of categorical (i.e., federally-aided) welfare programs. The state did not assume the cost of administering these programs. In fiscal 1968-1969, the county share equal to 25% of New Jersey's categorical welfare costs, has been estimated to be \$33 million. In 1966-1967, when counties paid 50%, the cost was \$31.5 million, and in fiscal 1969-1970, when counties will pay 25%, the projected county share is \$45 million. In other words, even with state assumption of half of the county's welfare costs, counties next year will be spending \$8 million more on welfare than they did before the state picked up half the bill. What appeared to state government to be a gigantic step forward appears to county officials in retrospect to have been but a two-year

* At present, the county technically cannot pass ordinances, but in many cases county agencies, such as the park commission, can set and enforce use regulations, which can involve levying fines against individuals, and can exercise other powers which are legislative in nature and which in effect involve the use of police power. The Commission believes such powers should be placed in the hands of elected officials rather than appointees.

'breather'. Moreover, the costs of administration, which the state government did not assume, will jump from \$8 million in fiscal 1968-1969 to \$10 million in 1969-1970. In 1966-1967 these administrative costs were only \$6 million. In other words, where New Jersey counties were paying \$43 million in 1966-1967, they will be paying \$55 million in 1969-1970, and in the meantime the state has assumed approximately \$45 million in costs.

This Commission does not suggest that welfare is a state responsibility; these are national problems, and as our first report stated:

New Jersey's welfare problem is not of its own making. . . . The state has become a migration center for hundreds of thousands of rural southern negroes . . . New Jersey's problem is of non-New Jersey origins, a result of federal policies and of socio-economic changes in other areas of the United States.

This problem, the report points out, has been compounded by federal formulae which return to New Jersey far less money than we should receive, because the lowest federal share in categorical welfare programs is in the category of Aid to Families with Dependent Children (AFDC)—the category which represents over 60% of all New Jersey's welfare caseload.

While the Commission recognizes this as a *national* problem, and believes that the federal level is the only one which makes for sense or equity in handling this function, it must admit that the power to effect a federal assumption is minimal and that, until the federal government acts, it makes better sense to escalate these cost burdens to the state level where they can be shared by all municipalities and counties rather than continue to be borne by only the older and less self-sufficient municipalities in our older urban counties and their already hard-pressed taxpayers and homeowners.

Partial assumption of the cost for these state services, then, is clearly an ineffective and illusory device. Understandably, elected officials are slow to tax voters,* but for the majority of the state's residents today the level of the real property tax is simply untenable. Moreover, the rapid rise in costs erases all too quickly any slight gain made through a partial takeover. *The viability of local government is dependent on a fiscally responsible state government.* The Commission therefore repeats the recommendation it made last year that:

The state, as a general policy, should assume a substantial part and eventually all of the responsibility for financing functions which have state-wide impact and implications.

* The Commission further recognizes that the problem of financing welfare is tied both to the problems of efficient administration of the system and to the general questions of tax reform. The present recommendation is based purely on the great crisis in local government finance today, for the Commission feels that whatever is done in welfare administration or tax reform notwithstanding, the burden on local government must be alleviated.

In terms of county government specifically, the state should eventually assume fiscal responsibility for all the services which the county is mandated to provide for the state. (See Table IV-2). The Commission realizes that immediate assumption of all these costs would mean a cost to the state government of over \$225 million. Therefore, the Commission proposes that as an *irreducible minimum* the state assume the following costs in full, as they are clearly state responsibilities in the performance of which the county has no discretion or real functional interest:

1. The remainder of the county share of categorical assistance programs	\$45,000,000
Plus the county share of the administrative cost of these programs	\$10,000,000
2. The entire cost of judicial administration currently borne by the county, including:	
a. general county courts and county district courts	\$17,000,000
b. the prosecutors' offices	\$ 7,000,000
c. jury commission	\$ 4,000,000
d. county clerk	\$ 4,000,000
e. county register of wills and surrogate	\$ 3,000,000
f. sheriff	\$ 5,000,000
g. probation	\$ 8,000,000
h. all capital and maintenance costs for judicial buildings and facilities. (rough approximation only)	\$15,000,000
TOTAL (Approximate)	\$118,000,000

One might note that if the legislature enacts the Governor's suggestion that elections become a state responsibility, the \$8 million which the counties are currently spending for this function should also be assumed. Both municipal and county officials are unanimous in declaring that the state is all too quick to mandate duties to local government and to set tasks, but all too slow to provide the wherewithall with which to do the job.

Obviously, one might question some of the expenditures involved here. Since the administration of justice is a state function, mandated to the state by the constitution, and since the county has no discretion—in fact, since variations in justice among counties would be totally indefensible at law under the United States and New Jersey Constitutions—it seems clear that the cost of courts themselves should be a state responsibility. Similarly, the costs for probation are a state function. Probation after all is part of the state judicial-penal process. For every convicted offender on probation and not in prison the state saves \$3,000 in annual upkeep and maintenance; yet the county must pay the salary of the probation officer, based on salaries set by the court. In other words, the county is spending its tax money to provide direct benefit and financial saving to the state government. Obviously, the same argument would

hold true for the jury commission; it is an integral part of the judicial system and in fact a function which constitutionally the state must provide to all accused. Therefore, it too should be paid for by the state as part of the system.

Next we deal with the constitutionally-established officers—the prosecutor, the county clerk, the sheriff, and the surrogate (and register of wills in some counties). These officials have many things in common: they are all performing necessary tasks related to the administration of justice, and as such their conduct is in great measure regulated by the courts. Both the prosecutor and the sheriff have law enforcement functions, which will be analyzed in detail during the Commission's functional studies. Nevertheless the state should pay at least the expenses of the sheriff's office incurred in judicial administration (process serving, court attendants), and it should pay for the actual office expenses of the prosecutors.

The clerks, surrogates, and registers all perform important judicial duties in the maintenance of court files, recording deeds and secured transactions, probating wills, and other judicially-oriented repository and clerical functions. These are costly functions * which require either large staffs, or extremely expensive automatic equipment, or both in the larger counties; since these tasks are an essential part of the judicial system they should be financed at a state level.

There has always been considerable discussion about these offices. In the case of the prosecutor, it has frequently been suggested that he be a career civil servant rather than a political appointee. In the case of sheriffs, clerks and surrogates and registers, it has frequently been suggested that they be appointed rather than elected officials. Clerks, surrogates and registers are virtually full-time judicial officers under the authority of the courts and the legislature. Their functions are no more relevant to the major issues presented in this report than are those of judges in that sense. The Commission does not believe that their election or appointment is a major issue in preparing the county to function effectively and efficiently and to assume greater responsibilities. Therefore the method of their selection is better left to the judiciary itself. As for the prosecutor and the sheriff, to the extent that they have law-enforcement duties, their roles will be analyzed in forthcoming reports. To the extent that their duties are judicially-oriented, their expenses should also be assumed by the state.

Finally, the matter of capital construction. A significant portion of the county's capital resources are expended in providing courthouses and office facilities for judicial officials. In the past ten years, all counties have undertaken significant building programs to house these offices. The Commission sees no reason why the hard-pressed counties should have

* In many counties these offices produce an operating surplus, but when set off against the counties' expenditures for the judicial system as a whole, the surplus is not substantial; and the Commission recommends that since they are judicial offices, their cost be assumed with the entire cost of the system.

to provide office space and court facilities so that the state government can fulfill its constitutional obligations.

In summary, the Commission proposes that:

The state assume immediately all those costs related to the provision of public welfare and the administration of justice by the county. These expenses, amounting to \$120 million in fiscal 1969-1970, are an irreducible minimum for relieving the burden on local government, both counties and the municipalities. The State should as a matter of policy begin to assume all costs for functions which are statewide in scope and implication or which are constitutionally the responsibility of state government.

C. Improving the County's Political Adequacy

The best way to improve confidence in county government is to improve county government, for performance is ultimately the criterion for judgment in our political system. This report has sought to show where and how county government needs improvement. The Commission is confident that implementation of the program we have recommended will be a valuable as well as essential first step toward building a working partnership between county and municipal government. Of course, the county cannot reach its goals overnight; and it will never reach them if municipal leadership does not extend its good will and cooperation, for partnership is a two-way proposition.

It is extremely difficult to know how to begin. One obvious answer is greatly expanded programs of public information to stimulate citizen interest in the county and its services. Some Freeholder Boards have sought to meet in various parts of their counties to encourage public participation, and resourceful mayors have been known to invite the Freeholders to an annual Freeholder Day so that they can see first-hand what needs to be done locally.

But to the average citizen, county government is probably not an easily definable or visible entity. He never gets a county tax bill. Unless he is on welfare or involved in legal action, he may never be a direct recipient of county services as such; and even if he is, it is usually not from the central county government but from some autonomous agency. In part, this will change as the county offers more local services directly to the taxpayer. The Commission considered the idea of having the county tax its residents directly and concluded that while visibility is desirable, that type of visibility might do as much harm as good. Moreover, to add another set of assessors and collectors to our local fiscal administration would be counter-productive to say the least.

The answer seems to be communication and representation. We have seen that municipalities never feel they have been consulted on county activities; this cannot be allowed to happen if we expect them to work with the county. This means that municipal functional as well as elected officials should be able to confer regularly with county officials

about common problems and plans. Formalized, regular meetings are essential; informal arrangements do not work. *County Boards of Freeholders who do not now do so should initiate regular monthly or bi-monthly area meetings with mayors, possibly including state officials when it is appropriate.*

These meetings should bring together all the mayors of an identifiable group—a geographic portion of the county, a type of community, or a group of municipalities facing a common problem. In other words, it should not be a general discussion for all mayors in the county, but a “working session” on topics close to the municipalities invited. There is no county in this state which could not profitably hold these meetings, and if the Freeholders feel that they have nothing to discuss with a given municipality, that is a clear indication of how necessary the meetings really are. The Commission has considered the possibility of calling for councils of mayors in each county. They might prove effective in stimulating communication and an interchange of ideas if the obvious problems of size (there are up to 70 mayors per county) can be overcome. The establishment of such councils, however, should be a matter of local discretion.

Ultimately, the political question hinges on representation. The Board of Freeholders must represent all the major interests and opinions of the county if it is to be a vital part of the local government system. District representation by the Freeholders has much to commend it. But the Commission frankly does not expect county political organizations to be willing to accept this notion. Yet, one must admit that in spite of what the textbooks say, under our current at-large elections, Freeholders do not and cannot always represent all the interests of the county equally, and may in fact represent none.

It is clear from the Commission’s work that many of the county’s constituents and clients, particularly the municipalities, must be better represented in the county’s decision-making process. This might be accomplished by instituting a legislative body of mayors who would act as a “second chamber” of the county legislature. But in addition to the obvious political and administrative objections to such an unwieldy procedure, recent U. S. Supreme Court cases would seem to indicate that the problems in structuring a body of municipal officials, which would be within the precepts of recent reapportionment decisions and at the same time be conceptually and practically workable, are staggering.

In the absence of district elections, the Commission will consider in the final charter proposals it submits to the legislature, the possibility of some type of small but representative body which would either be elected as an advisory adjunct to the Board of Freeholders or might also have veto power or power to review fiscal decisions. This body would not have every mayor in the county participating, but rather a few mayors who would each represent several communities similar to his own or would each represent his area in a county where municipalities were

relatively similar but had varied needs depending on the section of the county in which they were located. These possibilities will probably be offered as alternatives to district representation, for it is clear that the restructured county government must be representative of all major interests. If not, it will lack real political power—the power to implement its decisions effectively and to act as an area-wide unit of local government seeking creative solutions to interlocal problems.

In general, the Commission believes that the best way to strengthen the county's political adequacy is to improve county government itself, to make it more responsive and more representative through a variety of strategies and alternative structures which the Commission will recommend to the legislature.

D. Structural and Administrative Recommendations

Preparing Legislation for Improving County Government

As the recommendations for changing the legal base of county government pointed out, the Commission is not at this time suggesting that the county assume any new powers or duties. The Commission only intends that the county be given through legislation the general power to reorganize its structure, to enter into voluntary contractual relationships with other governmental units, and to establish any service programs that are needed.

As a result, the legislation proposed by the Commission will deal with county government's organization and general powers. Specific grants of functional power will not be part of these general organizational bills. The Commission is not prepared to discuss the merits or faults of any specific grant of functional power until we have conducted the detailed studies in that area which will yield adequate facts on which to base sound recommendations.

In the meantime, the Commission feels that there should be uniformity among counties in terms of general powers. Legislation should attempt to give the counties flexibility within the framework of general law which for sound reasons should be consistent from one county to another. In an area such as land use, for instance, the Commission is of the opinion that no mention of *specific* services or functions or powers should be part of the legislation for any one county in particular or for all counties. These laws should be general grants, aimed at giving flexibility to local government. Until future work has been done, the Commission believes that general, structurally-oriented legislation is most advisable. If charters passed by the legislature did go into specific functional duties and powers, they would have to be revised or repealed when subsequent events dictated that performance of these duties be vested in another level of government. The Commission will therefore deal with the *structural* and *general* legal aspects of county government, seeking to maximize flexibility and room for innovation, neither restrict-

ing the legislature from deciding specific questions of functional responsibility nor preventing local government itself from coming to whatever functional arrangement it wishes.

The Commission might have included in this report legislative proposals embodying its recommendations. It was felt, however, that to do so would foreclose valuable discussion and examination of the problems involved. It was decided that the wisest course would be to describe in detail the alternative forms of county organization which it thought most suitable, showing their applicability to particular developmental situations in New Jersey counties, and then to hold public hearings so that all groups and individuals can give the Commission their ideas and suggestions. It was felt that by opening this discussion to all the people the result would be better legislation. The following proposals, then, are presented as a basis for discussion. The Commission will in turn submit to the legislature, bills which will be the product of the hearings and the ideas of all interested groups and individuals as well as of the Commission itself.

Basic Considerations for County Reorganization

The Commission has stressed that New Jersey's system of local government, if it is to respond adequately to the varied and growing needs of the state, require viable *general* governing units on all levels—state, county and municipal. There must be effective units at each level if the overall system is to provide effectively for the needs of all the people of this state.

Utilization of the county as a major governmental level makes sense in New Jersey for a variety of reasons functional and political. Yet, county government, at present, is the weak link in the system. If local government is to work well in this state, county government must work well; it must be made into an effective “middle tier” *general government* unit. It is for these reasons that the Commission has undertaken to study county government as its initial task.

During the course of this study, two alternative courses of action have been rejected emphatically:

1. retention of county government as it is presently structured;
2. abolition of counties, and distribution of governmental functions to the state, to municipalities or to newly created regional units.

Furthermore, because of the problems involved, and in light of New Jersey traditions, city-county consolidation, and the federation approach do not appear to be either desirable or feasible at this time.

All evidence has pointed to the need for New Jersey counties as truly general governing units working in partnership with state and municipal governments. To this end, they must be made capable of:

1. providing services that can be most effectively undertaken at the county level or services which municipalities, singly or jointly, can not or will not perform;

2. working effectively with municipalities within county boundaries, with neighboring governments and with the state and federal governments.

For this purpose, county government needs to be changed in two respects:

1. *organization*—counties must have a sound structure, conforming to accept principles of government;
2. *authority*—county government must have the legal authority necessary to deal with a wide variety of expanding problems, without continuous recourse to state authorization.

These two factors go hand-in-hand. It would be absurd to give a county increased powers and responsibilities if its organizational machinery were not capable of working effectively and efficiently.

It is the opinion of the Commission that the soundest way to achieve these goals is the enactment of enabling legislation permitting counties to adopt one of a number of prescribed alternative forms of governmental organization, combined with a broad grant of powers.

Such an approach would provide each New Jersey county with *flexibility* to choose a form of government suited to its characteristics, needs and preference, within a framework of widely accepted principles of government administration; and at the same time it would provide the legal authority enabling the people of the county to make it into the kind of government they want.

General Characteristics of All Alternative Forms

While the Commission favors a maximum latitude for local leaders to determine the details of their county government organization, we feel that the following characteristics should be common to all alternative forms:

1. a single legislative body that performs legislative rather than administrative tasks and has sufficient legal authority to oversee and direct the operations of all county government;
2. strong policy leadership from an elected official;
3. professional administration accountable to elected officials;
4. annual preparation and presentation of an executive budget;
5. provision for legislative enactment of an administrative code;
6. adequate and clear provisions for protection of civil service status for individual employees and civil service provisions for the entire system;
7. clear lines of authority and administrative accountability throughout county government;

8. political responsiveness to, and adequate representation of, all major types of municipalities, groups and interests in the county to insure full participation for all concerned.

Since counties are not all alike, it is necessary to offer alternative forms to permit each county to select the form suited to its own needs and stages of development.

The four forms set forth below are the basic forms we believe should be offered to New Jersey counties. We shall attempt to show the differences between them in terms of the balance of power, the setting in which each might be most effective and the relative strengths and weaknesses of each. Following this description, we shall mention the important elements of each form and certain procedural questions which the Commission is presently considering and which will be discussed at public hearings before final legislation is submitted for enactment of the proposals. (See Figure VII-1).

ALTERNATIVE FORMS

Form 1. The Elected Executive Plan

The essential element of this plan is that it gives a single elected executive the power to direct the operations of county government and to take the lead in proposing policies. Central professional administration is assured by requiring that the executive appoint a qualified administrator to work directly under him. The Freeholder Board performs an exclusively legislative role, enacting all county programs into law and advising and consenting to the major actions of the county executive. This form, in many ways, is similar to the form of government we have on the state and national levels, as well as to the strong mayor-council forms for municipalities, offered in the Faulkner Act.

This plan is suited particularly to those urban counties where there are substantial differences of opinion over policy and where there is group and sectional diversity, dictating the need for strong and decisive leadership to get things done. The chief advantages of the plan are: by uniting policy and administrative leadership in one elected official, firm program direction and political accountability to county voters are facilitated; and by requiring the election of an executive who is a county resident, one insures that he will be familiar with the problems and conditions of the county. The disadvantages of this plan are: if the executive is not a strong personality, the administration is seriously undermined; the concentration of administrative power in an elected official may politicize rather than professionalize county administration; and election of an independent executive and Board may result in executive-legislative conflicts. If the executive is of one party and the majority of the Board of another, stalemates may be the result.

Outline of the Elected Executive Plan

I. Executive

A. Election, term, qualifications, salary, vacancy, absence

1. Elected at-large from the county.
2. Term of 4 years.
3. Must be a qualified elector of the county; must reside in the county during his term of office; otherwise the position is considered to be vacated.
4. Compensation is fixed by ordinance of the Board. There should be a minimum salary fixed by law and protection against a decrease in salary during the executive's term.
5. Any vacancy must be filled by election for the remainder of the unexpired term at the next general election occurring not less than 60 days after occurrence of the vacancy. The Board fills temporary vacancies by appointment to serve until the qualification of a person so elected.
6. During temporary absence or disability, the chief administrator shall act as county executive; in his absence the county executive designates a head of a county department.

B. Powers, duties

1. Organizational powers

- a. Supervises, directs and controls administrative departments.
- b. *With the advice and consent of the Board* appoints the chief administrator, the head of each county department and members of county boards and commissions and fills appointive offices.
- c. May remove or suspend, in his discretion, anyone whom he has the power to appoint, after notice and opportunity to be heard.

Provision: Removal or suspension shall be in effect 20 days after filing notice unless the Board previously adopts a $\frac{2}{3}$ resolution of disapproval.

- d. May delegate to department heads, power to appoint officers and employees and may with the approval of the executive, remove them subject to civil service provisions.

Alternative: The executive appoints other county employees as provided in budget, if unclassified, without Board confirmation.

- e. Requires reports and examines the accounts, records and operations of every county administrative unit under his direction and supervision.

2. *Executive-administrative powers*

- a. Exercises the executive power of the county.
- b. Enforces the charter and county laws.
- c. Supervises the care and custody of all county property including institutions and agencies.
- d. Supervises collection of revenues, guards adequately all expenditures and sees to proper accounting for all funds.
- e. Signs all contracts, bonds or other instruments requiring consent of the county.
- f. Reports to the Board periodically and prepares annual reports.
- g. Performs other duties authorized or delegated.

3. *Legislative powers, functions*

- a. The executive may attend meetings of Board, and may vote only in case of ties.
- b. Executive may make such recommendations for action by the county as he may deem in the public interest.
- c. Must approve each ordinance of the Board by signing it or must return it to the Board with a statement of objections within 10 days of passage; subject to Board override by $\frac{2}{3}$ vote.

4. *Budgetary powers*

Prepares, with the aid of the chief administrator, submits to the Board and executes after adoption by the Board, the annual operating budget, capital program and capital budget.

II. *Chief Administrator*

A. *Required appointment, qualifications*

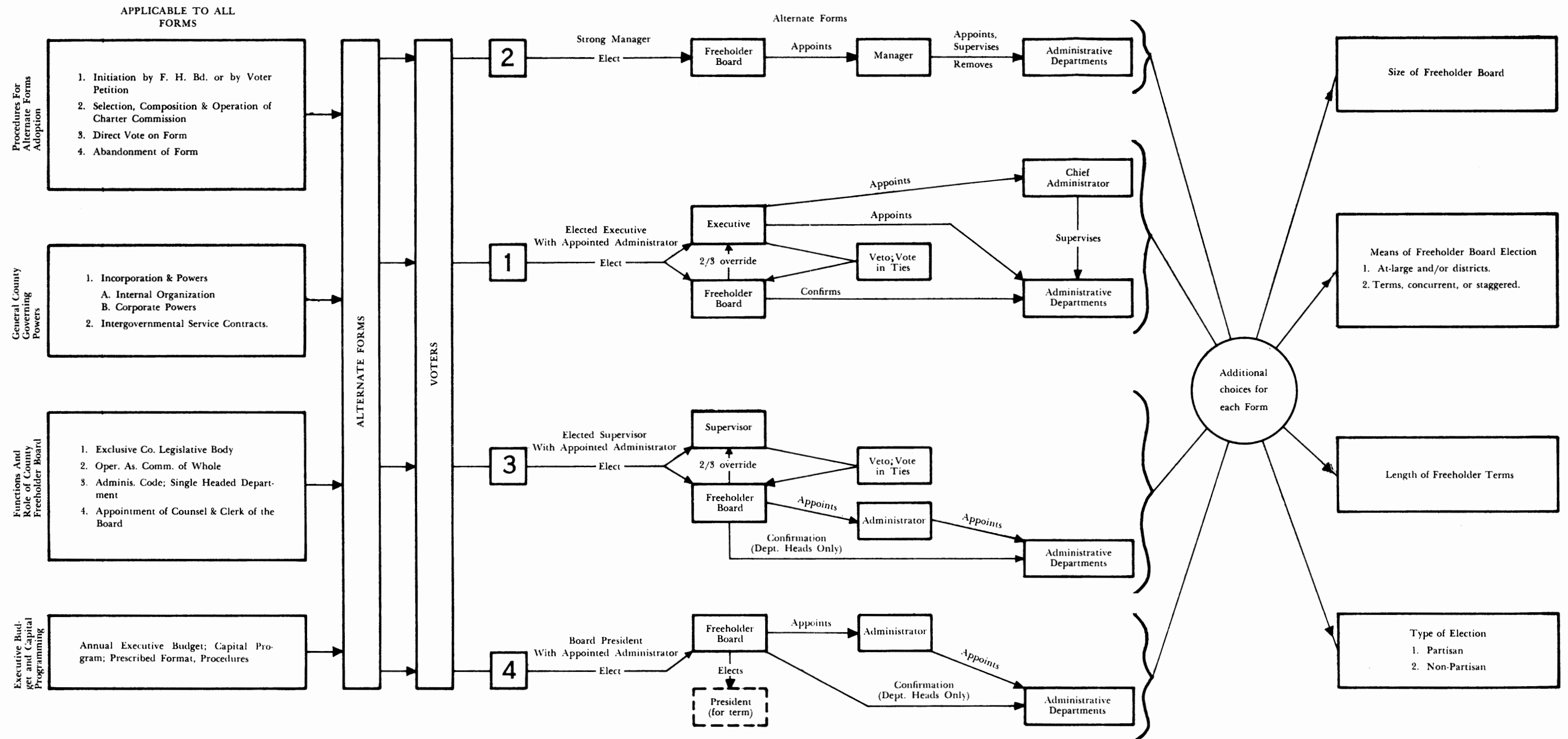
1. Must be chosen by the executive.
2. Must be qualified by administrative and executive training and experience.

B. *Duties*

1. Assists the executive in carrying out his duties and responsibilities and, subject to the policies and directives of the executive, has general supervision over the administrative agencies of the county.
2. Under the direction and supervision of the executive.
 - a. Assists in the preparation of the budget.
 - b. Administers a centralized purchasing system.
 - c. Is responsible for development and administration of a sound personnel system.
 - d. Prepares reports.
 - e. Performs other duties which the Board may prescribe.

FIGURE VII-1

PROPOSED ALTERNATIVE FORMS FOR COUNTY GOVERNMENT



III. *Freeholder Board*

A. *Organization*

Selects a chairman from among its members.

- a. For a specified term or to serve at pleasure.
- b. To preside at meetings.

B. *Powers*

1. Advises and consents *vis-d-vis* elected executive.
2. Overrides executive removal of department heads by $\frac{2}{3}$ vote.
3. Overrides executive veto by $\frac{2}{3}$ vote.
4. May reduce any item or items in the executive budget by majority vote, but an increase in any item or items is effective only upon affirmative vote of $\frac{2}{3}$ of the Board.

Note: This provides a legislative check on an independently elected executive, as part of a system of checks and balances.

IV. *Evaluation of Elected Executive Plan*

Advantages

1. Unites political and administrative leadership in one person, generally assuring firm program direction, responsive to public demands.
2. The election of the chief executive of the county, focuses responsibility on one man who must stand for reelection, periodically.
3. The chief executive must reside in county, at the time of his election, so that he should be knowledgeable about county problems.

Qualifications

1. An elected political leader may not be a capable administrator; county administration may become too political. (However, professionalism is facilitated by the required appointment of a qualified chief administrator.)
2. Recruitment of executive candidates is bound by the territorial limits of the county. There might not be enough capable candidates willing to run, to provide for adequate voter choice.
3. If things go wrong in county administration, may have to wait until the term of the executive expires, and until a new executive is elected.
4. This form tends to build in executive-legislative conflict because officials in each branch are elected independently, and see their roles, and their public accountability somewhat differently. If the executive is elected at-large, and some or all legislators are elected from districts, the potential for such conflict may be increased.

The professional literature tends to indicate that the strong executive-council form of government is particularly applicable to highly urbanized, and/or rapidly growing jurisdictions, where there are social and economic cleavages and disparities, and where there is substantial political competition. In such a context, strong political leadership, with access to substantial resources is needed to get things done. An independently elected executive can provide such leadership; it is not likely to be provided by an appointed administrator, or to be generated from within a legislative body with persons of equal status.

An analysis of New Jersey has indicated that there is a need for strong elected policy leadership on the county level for at least two reasons: (1) the size, heterogeneity, and rapid growth of many counties in a highly urbanized state; and (2) the tradition of strong, centralized political party leadership, as well as the indications of growing party competition.

In noting the powers of a strong elected executive over administrative personnel and over the budgetary process, it is apparent that he can have substantial political "clout." Experience on the municipal and county levels has indicated that political party leadership may be forced out of the back rooms and into the frontline of electoral competition, to seek an elected office that can effectively control so many jobs and financial resources. Thus, political and executive responsibility is fused and focused; political leadership becomes more visible and ultimately responsible to the voters.

Form 2. The Strong Manager Plan

The essence of this classical council-manager plan is that an *appointed* manager is granted full power and considerable independence to supervise the administration of county government. He has independent power to hire and fire administrative personnel; he is authorized to prepare a consolidated county budget, submit it to the legislative body, and to administer it once it is enacted. The Board is strictly a legislative body, composed of members of equal status, and has leverage over county administration in its power to hire and fire the manager. Thus, an appointed manager exercises administrative powers and takes policy initiatives. He is ultimately responsible for his actions to elected officials; however, the legislative body necessarily would be reluctant to exercise its power to dismiss the manager too often. There are indications that this plan would not be particularly suited to many New Jersey counties, where conditions and traditions have emphasized the need for policy leadership in the hands of elected officials; certainly the plan has not been popular on the county level nationally.

Nevertheless, the plan may work successfully in relatively homogeneous counties, where there is substantial agreement about policies and directions for county government, and where there is no intense

political competition. The emphasis it places on professionalization might mean that the county would be better equipped to undertake local services. Moreover, the administrative independence of the manager might facilitate the recruitment of a high caliber professional staff, and might be conducive to high employee morale.

Outline of the Strong Manager Plan

I. Manager: selection, qualifications, salary

A. Selection, Removal

1. Appointment by the Board for an indefinite term.
2. May be removed by a majority vote of the Board, subject to adequate notice and hearing.

B. Qualifications

1. Appointed solely on the basis of his executive and administrative qualifications.
2. At the time of his appointment, he need not be a resident of the county or state, but during his tenure of office he may reside outside of county only with the approval of the Board.

C. Salary

1. Fixed by the Board.

II. County Manager, powers and duties

The manager shall be chief administrative officer of the county. He shall be responsible to the council for proper administration of county affairs under his charge.

A. Organizational powers

1. Appoints, suspends, demotes, dismisses, removes and transfers all county employees and all appointed county administrative officers.
2. May authorize any appointive county administrative officer to appoint, suspend, demote or remove subordinates in that officer's department, office or agency.
3. May designate a qualified administrative officer of the county to perform his duties during his temporary absence or disability; in the event he fails to do so, the council may.
4. May appoint and remove a deputy manager, if one is authorized by the Board.

B. Administrative powers

1. Directs and supervises the administration of all county departments, offices and agencies.
2. Organizes the work of county departments subject to the administrative code adopted by the Board. Reviews their administration and operation and makes recommendations pertaining thereto to the Board.

3. Reviews, analyzes and forecasts trends of county services and finances and programs of all boards, commissions, agencies and other county bodies, and reports and recommends thereon to the Board.
4. Develops, installs and maintains centralized personnel and purchasing procedures as may be authorized by the administrative code.
5. Negotiates contracts for the county subject to Board approval; makes recommendations concerning the nature and location of county improvements and executes improvements determined by the Board.
6. Assures that all terms and conditions, imposed in favor of the county or its inhabitants in any statute, franchise or other contract, are faithfully kept and performed.

C. *Legislative functions*

1. Attends all meetings of the Board with the right to participate but not to vote.
2. Recommends to the Board measures deemed necessary; makes annual reports; makes reports to the Board on request.

D. *Budgetary function*

1. Prepares annual current expense budgets and annual capital budgets for consideration by the Board; and submits them to the Board.

E. *Executive function*

1. Executes all laws and ordinances of the county.
Comment: The manager can appoint, employ and fire unconditionally. The Board can fire only the manager. This provides for independence in administrative matters, while making the chief professional accountable to elected legislators.

III. *Freeholder Board*

A. *Organization of the Board*

1. The Freeholder Board elects from among its members, a chairman (and a vice-chairman) each of whom serves at its pleasure. The chairman presides at Board meetings (if he is not present or is unable to act, the vice-chairman presides).

B. *Organizational powers*

1. Appoints county manager and may remove him by a majority vote after due notice and public hearing.
2. May create and define the powers and duties of deputy manager which shall not be included in the classified service under Title 11.

C. Restrictions on Board

1. Neither the county Board nor any of its members are permitted to direct or request the appointment, suspension, demotion, or dismissal of any county employee or appointive administrative officer who is subject to the supervision of the county manager and subordinates.
2. Except in emergencies or for the purpose of inquiry, the Board and its members can deal with county employees exclusively subject to the direction and supervision of the county manager only through the county manager, and neither the Board or its members can give orders to any such county employees either publicly or privately.
3. Knowing and willful violation of these restrictions by a Freeholder are sufficient grounds for his removal and for the declaration of a vacancy in his office in an action instituted in the Superior Court by any citizen of the county.

Note: The intent here is that the county Board should act as a single body in all matters and allows the manager maximum administrative independence.

IV. Adopting of Budget, Capital Program

- A. After a hearing, the Board should be authorized to adopt the budget with or without amendment. In amending, it may add new items or increase items; it may decrease or delete items, excepting appropriations required by law or appropriations for debt service or for estimated cash deficits.
- B. After a hearing on the capital program, the Board may adopt it, with or without amendments. The Board requests and considers, but need not follow the recommendations of the county manager.

V. Evaluation of Strong Manager Plan

Advantages

1. This is not so drastic a break with New Jersey county tradition: it continues to vest overall political responsibility in the county legislative body, rather than dividing it between an elected Board, and a separately elected chief executive.
2. Since the manager need not be a county resident at the time of his appointment, recruitment of the best man possible is facilitated.

Qualifications

1. A professional manager cannot be expected to provide policy leadership on emerging issues facing urban counties (levels of government services, tax rates, land use, anti-poverty, racial harmony), to crystallize public opinion, and to be an effective advocate.
2. Where the county Board is politically split, the manager usually is ineffective.

3. It facilitates highly professional administrative leadership.
3. Since the manager need not be a county resident at the time of his appointment, it will take him time to become familiar with county conditions, this is a problem especially if there is a high manager turnover.
4. It facilitates the most pronounced administrative/legislative separation of functions; it facilitates the operation of the Board as a single legislative body with over-all county policy perspectives.
5. The manager is politically responsible to elected officials; he can be ousted quickly if things go wrong.

The literature tends to indicate that the strong manager form is most applicable to relatively homogeneous jurisdictions, where social and economic disparities are minimal, and where the legislative body is not split politically. Thus, the plan may be most appropriate for caretaker type operations within fairly stable jurisdictions.

Form 3. The Elected Supervisor Plan

This plan is a middle ground between the elected executive and the strong manager plans: on the one hand, it facilitates a leadership role by an independently elected executive (the supervisor), although it does not concentrate power in the hands of the executive to the same extent as under the elected executive plan; on the other hand, it provides a strong professional administrative focus, but does not give the appointed administrator all the powers and independence that a manager has under the strong manager plan. Furthermore, this plan is more in the New Jersey tradition than Forms 1 and 2, in that it vests significant powers in the Freeholder Board.

In some ways, this plan bears similarity to the county supervisor forms in Essex and Hudson counties. It differs in explicitly providing for professional administration, and in divorcing legislative and administrative functions. Moreover, the formalized relationship between the elected supervisor and the appointed administrator under this plan, is designed to facilitate a more effective policy leadership role on the part of the elected supervisor, than under the existing plan.

This plan would be most appropriate for those counties where neither the elected executive, nor the strong manager plans are politically acceptable, and in counties where political competition is not intense.

Outline of the Elected Supervisor Plan

I. Supervisor

A. Election, term, salary

1. Elected for the office of supervisor, at-large from the county.
2. Term of office: the same as a Freeholder's term.
3. Salary: greater than that of other Freeholders.

B. Powers, duties

1. The supervisor presents annual messages to the Board. At other times, he deems expedient, he may make general or specific reports on the condition of the county's government, finances, institutions, and improvements, with such recommendations as he considers appropriate.
2. Recommends to the Board passage of such measures as he deems to be necessary and he devises a legislative program.
3. Serves as presiding officer of the Board, votes in case of Board ties and has veto power over Board actions.
Alternative: Consideration might be given to granting him regular Board vote plus his veto power.
4. Serves as spokesman for the Board with respect to the Board's policies and programs.
5. Represents the Board at civic and ceremonial occasions.
6. Appoints and removes, subject to Board approval, such county officers and members of other agencies and commissions as are appointed by the Board; and he is an *ex-officio* member of these agencies and commissions.
7. Serves as principal liaison and contact on behalf of the Board *vis-à-vis* the county administrator.
8. Represents the Board in all intergovernmental relationships.
9. Has the right to inspect books, accounts, records or documents pertaining to the property, money or assets of the county.
10. Causes the laws of the county to be executed and enforced through the county administrator.

Comment: Providing that the supervisor preside over Board meetings and that he have a regular council vote might lessen legislative-supervisor conflicts. If he is given a regular council vote, consideration must be given to providing for an even number of Freeholders or to some other method of avoiding the possibility of legislative voting deadlocks.

II. Freeholder Board

A. Organizational powers

1. Appoints and removes county administrator by a majority vote.

2. May create and define the powers and duties of a deputy administrator.
 3. Approves the appointment, suspension, demotion or removal of department and office heads by the county administrator.
- B. *Powers vis-à-vis supervisor*
1. May override supervisor's veto by $\frac{2}{3}$ vote.
- C. *Budgetary powers*
1. After a hearing, the Board is authorized to adopt the budget with or without amendment. In amending, it may add new items or increase items, it may decrease or delete items, excepting appropriations required by law or appropriations for debt service or for estimated cash deficits.
 2. After a hearing on the capital program, the Board may adopt it, with or without amendments. The Board requests and considers, but need not follow the recommendations of the administrator.
- D. *Restrictions on Board*
1. Neither the county Board nor any of its members are permitted to direct or request the appointment, suspension, demotion or dismissal of any county employee or appointive administrative officer who is subject to the supervision of the administrator and subordinates.
 2. Except in emergencies or for the purpose of inquiry, the Board and its members can deal with county employees exclusively subject to the direction and supervision of the administrator through the administrator, and neither the Board nor its members can give orders to any such county employees either publicly or privately.
 3. Knowing and willful violation of these restrictions by a Freeholder are sufficient grounds for his removal and for the declaration of a vacancy in his office in an action instituted in the Superior Court by any citizen of the county.

III. *Appointed Administrator*

- A. *Selection, removal by Board*
1. Required appointment by the Board for an indefinite term.
 2. May be removed by a majority vote of the Board with the provision that he may call for a public hearing prior to Board action on his dismissal.
- B. *Qualifications, residence*
1. Should be appointed solely on the basis of his executive and administrative qualifications and experience.

2. At the time of his appointment, he need not be a resident of the county, but after his appointment he should be able to reside outside of the county only by leave of the Board.

C. *Organization powers*

1. Appoints, suspends and removes all county employees; appoints department heads with the approval of a majority of the Board. Each department head so appointed serves at his pleasure, subject to removal with the approval of a majority of the Board.
2. Subject to an administrative code, he may authorize department heads to appoint, suspend or remove subordinate officials.

D. *Other Powers*

Same as the strong manager plan except:

- a. Works through the supervisor as his principal point of liaison with Board;
- b. Executes all laws and ordinances of the county in behalf of the supervisor.

IV. *Evaluation of Elected Supervisor Plan*

Advantages

1. Provides for strong elected leadership focus without creating the strong elected executive plan.
2. Provides a professional managerial focus: while staying within New Jersey traditions of vesting strong powers in the Freeholder Board; and while relieving the appointed administrator from policy pressures he is subjected to in the absence of a strong elected policy leader.
3. Since the supervisor must be a resident of the county at the time of his election, the elected policy leader is familiar with county problems.

Qualifications

1. By providing that the Board appoints and dismisses the administrator and must approve administrator's actions in appointing and dismissing department heads: it dilutes the leadership role of the supervisor, and diminishes the administrative power and independence of the appointed professional administrator.
2. Where the Freeholder Board is politically split, and/or where there is a supervisor-board conflict, the administrator may be ineffective.
3. It may build-in supervisor-board conflict, especially if their constituencies differ.

4. Since the administrator need not be a resident of the county at the time of his appointment, recruitment of best man possible is facilitated.

This form creates a popularly elected executive-legislative leader, within the framework of a modified council-manager form of government. It represents a compromise for those counties which do not want either an elected executive or a strong manager plan.

The objective of these provisions pertaining to the administrator is to provide for a strong managerial focus, without creating a strong manager with independent powers. The reasons for offering this type of administrator include the following:

1. A strong county administrator represents a sharp break with the traditionally strong role of the Board of Freeholders in New Jersey.
2. The concept of a strong *appointed* administrator is not wholly consonant with the role of a strong elected supervisor.

Moreover, the literature has indicated that provision for a strong appointed administrator, without provision for a strong elected policy leader, forces the administrator into the assumption of the kind of policy leadership role for which he is not suited by personality or training. Provision for a strong elected supervisor may relieve the administrator from such policy pressures.

There are some allied provisions which might serve to make this plan most effective. First, if the supervisor were elected simultaneously with all Freeholders, clear-cut elective policy leadership in the supervisor, and the chance for the voters to get a quick and thorough policy change in any given election would be the result. Second, the election of county officials in partisan elections, could help to build a set of popular expectations of public pronouncements that could have some long-run beneficial effects in the leadership role development of the supervisor. Unless the supervisor is either willing to play a political leadership role, or is compelled to play it by the nature of competitive partisan politics, the appointed administrator might be forced into the assumption of the kind of policy leadership role for which he is not suited.

Form 4. The Board President Plan

As the name implies, this plan provides for selection of the legislative leader by the Freeholder Board itself. But though the chief executive is not elected by the people, this form gives him some of the powers of an elected executive. The reason is that in any form of government there is need for a clear focus of policy leadership in the initiation of policies and

programs. This cannot come effectively from the Board alone when all Freeholders are of equal status. There must be an elected official who oversees the administration. If all elected officials have this responsibility, the system suffers from the weaknesses the county has at present. Under this proposed form, the appointed executive has a degree of administrative authority and can exercise limited control—not the same control which an elected executive would have, but nevertheless some control.

This plan, then gives a maximum of power to the Freeholder Board, while it gives the government as a whole policy leadership and administrative direction. In many respects this proposal is similar to the Bergen County special charter proposal submitted to the legislature early in 1969. The main defect of this and similar proposals is that, without executive and policy leadership, government is sometimes slow to respond to needs. Our proposal seeks to overcome this difficulty and at the same time leave the determinant power over county affairs in the legislative body. Obviously, this plan is best suited to situations where conflicts of policy are minimal and political competition is not intense.

Outline of the Strong Board President Plan

I. Board President

A. Selection, term, salary:

1. Elected by a majority of the Board from its members.
2. Term: a minimum of 2 years.
3. Salary: greater than the other Freeholders.

B. Powers

1. Presents annual messages to the Board. At other times he deems expedient, he may make general or specific reports on the condition of the county's government, finances, institutions, and improvements, with such recommendations as he considers appropriate.
2. Recommends to the Board passage of such measures as he deems to be necessary; and he devises legislative programs.
3. Serves as presiding officer of the Board, has regular vote on Board, does *not* have veto power.
4. Serves as spokesman for the Board with respect to the Board's policies and programs.
5. Represents the Board at civic and ceremonial occasions.
6. Appoints and removes, subject to Board approval, such county officers and members of other agencies and commissions as are appointed by the Board and he is an *ex-officio* member of these agencies and commissions.
7. Serves as principal liaison and contact on behalf of the Board *vis-a-vis* the county administrator.
8. Represents the Board in all intergovernmental relationships.

9. Has the right to inspect books, accounts, records, or documents pertaining to the property, money or assets of the county.
10. Causes the laws of the county to be executed and enforced through the county administrator.

II. *Freeholder Board*

A. *Organizational powers*

1. Appoints and removes county administrator by a majority vote.
2. May create and define the powers and duties of a deputy administrator.
3. Approves the appointment, suspension, demotion or removal of department and office heads by the county administrator.

B. *Budgetary Powers*

1. After a hearing, the Board is authorized to adopt the budget with or without amendment. In amending, it may add new items or increase items; it may decrease or delete items, excepting appropriations required by law or appropriations for debt service or for estimated cash deficits.
2. After a hearing on the capital program, the Board may adopt it, with or without amendments. The Board requests and considers, but need not follow, the recommendations of the administrator.

C. *Restrictions on Board*

1. Neither the county Board nor any of its members are permitted to direct or request the appointment, suspension, demotion or dismissal of any county employee or appointive administrative officer who is subject to the supervision of the administrator.
2. Except in emergencies or for the purpose of inquiry, the Board and its members can deal with county employees exclusively subject to the direction and supervision of the administrator through the administrator, and neither the Board nor its members can give orders to any such county employees either publicly or privately.
3. Knowing and willful violation of these restrictions by a Freeholder are sufficient grounds for his removal and for the declaration of a vacancy in his office in an action instituted in the Superior Court by any citizen of the county.

III. *County administrator*

A. *Selection, removal by Board*

1. Required appointment by the Board for an indefinite term.

2. May be removed by a majority vote of the Board with the provision that he may call for a public hearing prior to Board action on his dismissal.

B. *Qualifications, residence*

1. Should be appointed solely on the basis of his executive and administrative qualifications and experience.
2. At the time of his appointment, he need not be a resident of the county, but after his appointment he should be able to reside outside of the county only by leave of the Board.

C. *Organization powers*

1. Appoints, suspends and removes all county employees; appoints department heads with the approval of a majority of the Board. Each department head so appointed serves at his pleasure, subject to removal with the approval of a majority of the Board.
2. Subject to an administrative code, he may authorize department heads to appoint, suspend or remove subordinate officials.

D. *Other powers*

Same as the strong manager plan except:

- a. Works through the Supervisor as his principal point of liaison with Board;
- b. Executes all laws and ordinances of the county in behalf of the supervisor.

IV. *Evaluation of Board President Plan*

Advantages

1. The duties and mode of operation of the Freeholder Board eliminates the existing problems of: the diffusion of powers and responsibilities in county government; the fusion of all legislative and administrative functions; and the highly specialized role of the Freeholders.
2. It provides some legislative policy leadership, while minimizing sharp executive-legislative conflicts because it gives reasonable assurance that the legislative leader's views will be consonant with the Board which selects him.

Qualifications

1. It does not provide for strong, independent, political and policy leadership in the hands of an elected official.
2. By providing that the Board must approve the administrator's actions in appointing and dismissing department heads it diminishes the powers and independence of the appointed professional administrator.

3. It provides for a professional managerial focus while staying within New Jersey traditions of vesting strong powers in the Freeholder Board.
4. Since the administrator need not be a county resident at the time of his appointment, recruitment of the best man possible is facilitated.
3. Where the Freeholder Board is politically split, the administrator may be ineffective.
4. Since the administrator need not be a county resident at the time of his appointment, it will take him time to become familiar with county conditions.

The principal objection to this plan is that in most cases it would not provide sufficient elected policy leadership. In voting for a Freeholder without knowing whether he will become Board President, there is no clear focus on issues of policy; no one candidacy is more significant than another. Under certain circumstances, a Board might select a weak compromise President, who would not be expected to provide leadership. Finally, unless the elected policy leader has his own constituency, and perceives a program-oriented mandate he will not likely establish an independent leadership position within the Board.

Questions for Further Consideration

There are some procedural questions which have not been discussed in the foregoing pages. Included are such questions as the method for adoption of a plan,* the make-up of the Charter Study Commission, the type of legislative representation length of terms, methods of amendment and the adoption of an administrative code. We have developed tentative alternatives to meet these and similar questions. In preparation for public hearings, the Commission will prepare and distribute memoranda on these and related questions and detailed provisions.

The Commission has given considerable attention to drafting legislation and will shortly present its proposals. It was felt that to propose legislation prematurely would not only foreclose valuable discussion, but risk possible weaknesses in the legislation itself. This would involve the counties in time-consuming, expensive litigation to resolve questions which had best been done beforehand.

In addition to the hearings and final drafting of this legislation, the Commission has planned a program of research for the coming year which is discussed in the summary accompanying this report.

* The Commission does not propose the elimination of the present procedures for charter adoption (i. e., through a petition for special legislation). Experience under the Faulkner Act indicates that this special legislation procedure is best left available for special situations.

FOOTNOTES

General Note: Unless otherwise noted, italics in quoted material in the text have been added by the Commission staff.

CHAPTER II

1. James Collier, *County Government in New Jersey* (New Brunswick, New Jersey, 1952), p. 3. For a further discussion of the origins of New Jersey counties see Harris I. Effross, *Origins of Post-Colonial Counties in New Jersey* (Proceedings of the New Jersey Historical Society, Volume LXXXI, Number 2, April, 1963).
2. John F. Dillon, *Treatise on the Law of Municipal Corporations* (First Edition, Chapter V Section 55).
3. *Maryland v. Baltimore and Ohio Railroad*, 44 U. S. 534 at 550 (1845).
4. *Commissioners of Hamilton County v. Migbels*, 7 Ohio St. 109 at 118-119 (1857).
5. Allen H. Moore and Susan Torrence "State Action for County Home Rule," *American County Government*, April 1968 p. 11.
6. Allen H. Moore and Susan Torrence, "Home Rule Charter Counties," *American County Government*, April 1968 p. 15f.
7. See *Special Charter Procedure for New Jersey Counties and Municipalities* by Dr. Ernest Reock, Director of the Bureau of Government Research at Rutgers University, January 1967 p. 99.
8. N. J. S. A., 40:69A-1-120.
9. 32 N. J. 303 (1960).
10. *Ibid.*, at 308.
11. New Jersey Division of Local Finance, Annual Report, 1960.
12. 32 N. J. 303 at 312.
13. *Ibid.*, at 313.
14. Unpublished Superior Court Decision, Law Division, Bergen County, New Jersey. Docket number L-14917-67, filed February 5, 1968, Judge Morris Pashman presiding.
15. N. J. S. A. 40:21-18.2.
16. Earl W. Crecraft, *The Government of Hudson County, New Jersey* (Jersey City, 1915), pp. 36-37.
17. See Article IV, Section 7, Paragraph 11 of the 1844 Constitution as approved in the election of September 7 and proclaimed on September 28, 1875.
18. See Article IV, Section 7, Paragraphs 8 and 10 of the 1947 Constitution.
19. N. J. S. A. 40:17-2.
20. N. J. S. A. 40:21-21.1.
21. A summary of these laws may be found in *Legislation Authorizing Intergovernmental Cooperation in New Jersey for Planning and Development of Community Facilities* by the Department of Community Affairs, Division of State and Regional Planning.

22. N. J. S. A., 40:23-28.
23. N. J. S. A., 40:21-59 and 40:22-16, respectively.
24. N. J. S. A., 40:21-3.
25. N. J. S. A., 40:29-1.

CHAPTER III

1. This compendium *New Jersey County Services* is available on request from the New Jersey Association of Chosen Freeholders, Mercer County Courthouse, Trenton, New Jersey.
2. State of New Jersey, Department of Community Affairs, Division of Local Finance, *Annual Reports*, 1959-1967 (Hereafter *Annual Reports*).
3. *Annual Reports*, 1959, 1967.
4. Computed from *Annual Reports*, 1950, 1967.
5. Computed from *Annual Reports*, 1950, 1967.
6. Computed from *Annual Reports*, 1955, 1967.
7. Computed from *Annual Reports*, 1962, 1967.
8. Based on the New Jersey Education Association's *Basic Statistical Data*, with supplementary calculations.
9. See the Commission's First Report: *Creative Localism: A Prospectus*, March 1968, p. 26.
10. Computed from the New Jersey Department of the Treasury, Local Property Tax Bureau's annual *Table of Equalized Valuations* (1960-1966).
11. Computed from *Annual Reports*, 1967.
12. Based on fiscal year 1968-1969 projections of the New Jersey Department of Institutions and Agencies, Division of Public Welfare.
13. Based on the Budget Message of Richard J. Hughes, Governor of New Jersey, for the Fiscal Year Ending June 30, 1970 (Trenton, N. J. 2-10-69), p. 369f.

CHAPTER IV

1. Budgetary statistics drawn from the *Annual Reports*, 1967. Personnel data supplied by the New Jersey Department of Civil Service, Local Government Division.
2. N. J. S. A., 19:6-18.
3. Crecraft, pp. 39-40.
4. Minutes of the Board of Chosen Freeholders of the County of Hudson, January, 1913, p. 7.
5. Based on a Commission staff survey.
6. Information supplied by the New Jersey Department of Community Affairs, Office of Community Services.
7. Chart is based on material prepared by the staff of The New Jersey Taxpayers Association and made available to the Commission.
8. *Bergen Evening Record*, January 8, 1968, p. 1.

9. Budgetary statistics drawn from the *Annual Reports*, 1967. Personnel data supplied by the New Jersey Department of Civil Service, Local Government Division.
10. For further details, consult the study of the budgetary process found in the Technical Supplement to this report to be published shortly.
11. Information supplied by the New Jersey Department of Community Affairs, Office of Community Services.
12. Information supplied by the New Jersey Department of Community Affairs, Office of Community Services.
13. Material in this chart furnished by John E. Trafford, Administrative Assistant to the New Jersey State League of Municipalities.
14. Population ranking based on 1960 population. The remaining material furnished by John E. Trafford.
15. The Commission is deeply indebted to Dr. Ernest Reock, Director of the Bureau of Government Research at Rutgers University. The methodology and original gathering of data was Dr. Reock's and he was kind enough to allow the Commission staff to elaborate on it and use it as a basis for further research in this area.

CHAPTER V

1. For full details see N. J. S. A., 19:5.
2. N. J. S. A., 19:5-3.
3. Data from New Jersey State Civil Service Documents.
4. *Ibid.*
5. *Ibid.*
6. Richard T. Frost, "Stability and Change in Local Politics", *Public Opinion Quarterly*; Volume 25, 1961, p. 232.
7. *Ibid.*, pp. 231-232.
8. Based on data obtained from the Office of the Secretary of State of New Jersey, Election Section and from the State Archives.
9. Interview conducted with Eugene Nickerson during November, 1968.