

# Shenango Township and West Middlesex Borough

## **Public Information Meeting** **Vote on Combining the Governments**

West Middlesex High School Commons Area  
7:00 p.m., Tuesday, September 30, 2008

### **MEETING AGENDA:**

- I. Welcome and Introductions
- II. Pledge of Allegiance
- III. Purpose and Conduct of Meeting
- IV. Review of Proposal and Presentation of Printed Q and A, Alan Kugler
- V. Comments by Township Supervisors and Borough Council Persons and Mayor. (In answer to the principal question and accompanying questions: “Is it, or is it not in the long-term best interest of the citizens of West Middlesex Borough and Shenango Township to be united under a single municipal government?”) (See Attached)
- VI. Public Comments
- VII. Future Public Informational Meeting  
Wednesday, October 29, 7:00 p.m.  
West Middlesex High School Commons Area
- VIII. Adjournment

For Information On-Line: “Shenango – West Middlesex Single Government Vote”  
<http://www.mcrpc.com>

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**Questions from Report: Considering A Single Government For West Middlesex Borough and Shenango Township, June 26, 2006**

The basic premise of this report is that there is a strong connection between municipal governmental structures, functions, and policies in local communities and that these strongly influence economic performance and quality of life outcomes. The citizens and voters of West Middlesex and Shenango are encouraged to honestly and objectively consider their judgments about these matters.

The reader will find below a series of questions below to help assess local government and community performance and ultimately combining the governments. These questions are intended to help address the question: “Is it, or is it not in the long-term best interest of the citizens of West Middlesex Borough and Shenango Township to be united under a single municipal government?”

1. West Middlesex Borough and Shenango Township are in the same school district. Are these municipalities separate and distinct communities, or are they one community with two governments? If the two governments serve one community then do the two governments artificially divide the one community?
2. Would the present municipal areas in the Borough and in the Township be both more likely to grow, prosper, and provide cost-effective and high quality services through the 21<sup>st</sup> Century if they remain independent, or would they be better able to achieve these objectives by working together, perhaps joined as one?
3. Could a single municipal government for West Middlesex and Shenango eliminate governmental duplication of administration and services thereby helping achieve economies of scale and potential savings leading to higher quality services throughout the entire area?
4. Could a single municipal government provide more enhanced public services than can take place as separate governments?
5. What is the value in a uniform tax rate structure under a single municipal government?
6. Could a single municipal government help create a more unified community image both internally and to the outside world? If “yes”, could this be better leveraged to help retain existing businesses, attract new businesses and retain and attract young people and families than the existing governments acting largely alone?
7. Could a single municipal government be able to better leverage more discretionary state and federal dollars coming into the area community, economic and infrastructure development?
8. Could a single municipal government be able to better promote coordinated land use planning and development benefiting the entire area, by helping to ensure the economic vitality of the present West Middlesex town, surrounded by high quality residential neighborhoods, with complementary residential, commercial and industrial development, and desired open space?
9. Could a single municipal government be able to ensure community identity and traditional democratic access to government?

**Review of Proposal and Presentation of Printed Q and A, Alan Kugler**

At the prior meeting, on August 18, I presented slides describing the coming vote, demographic changes, and financial information about the prospective single government. This information appears on the web site: **mcrpc.com**.

This evening, as you can see from the agenda, the meeting will be conducted differently. In particular, each elected policy making official from the Borough and Township governments (Township Supervisors, Borough Council Persons and Borough Mayor) will have the opportunity to state their point of view. I have asked however that it be done in a structured way.

The officials are asked to honestly address the questions I described at the last meeting, and that appeared in the initial report that I did with the governments in 2006. Those questions are included in your handouts, on the reverse side of the agenda.

The questions deal with the bigger picture about community, which is really what the coming vote is about. The essential question is this: “Is it, or is it not in the long-term best interest of the citizens of West Middlesex Borough and Shenango Township to be united under a single municipal government?” Then there are the sub questions. Each official has up to ten minutes.

This is not to be a debate, but an opportunity for each to speak his or her mind on the subject.

We will go in alphabetical order, alternating Borough to Township.

Before doing so however, I want to very briefly review the proposal. To do so I want to work from the Q and A document that I prepared for this evening’s meeting.

Here are some of the significant outstanding questions I am hearing: (This is included in your handouts.)

# Shenango Township and West Middlesex Borough Vote on Combining the Governments Questions and Answers

(prepared by Alan R. Kugler for September 30, 2008)

## **What is the question that will appear on the November 4<sup>th</sup> ballot?**

“Shall the Borough of West Middlesex and the Township of Shenango be combined under the terms of the Joint Agreement formulated and approved by the governments to establish a single municipal government to be known as “West Middlesex”?”

## **How has the question come to be on the ballot?**

The governments have used a Joint Agreement to place the question on the ballot, following the procedures in the PA Municipal Consolidation or Merger Act.

## **How is the outcome of the vote to be determined?**

The question to combine the governments will appear on the ballot in each municipality. The voters in each must approve the change. If the vote is approved in each, then the combined government will be established under the Joint Agreement.

## **What is the Joint Agreement?**

The Joint Agreement establishes the legal procedure by which the new, combined, single government will be made operational. Major elements of the Joint Agreement state that:

- An approved vote is required in each municipality.
- If approved, the combined government will commence operations January 2012.
- The combined government will be a second class township under PA law.
- There will be a five member Board of Supervisors.
- There will be one elected Real Estate Tax Collector, three Auditors, one Constable.
- All officers will be elected from across the entire area in November 2011.
- The name of the new municipality will be West Middlesex.
- The existing governments will continue to function in separate capacities until 2012.
- There will be significant transition taking place in 2009, 2010, and 2011.

**Why would anyone consider such a change?**

Combining municipal governments in Pennsylvania has been rare and is almost always difficult. A principal goal is to improve the efficiency and cost-effectiveness of municipal services in a given area. A primary reason for wanting to improve the efficiency and effectiveness in a given area is to place everyone on the same team and make the entire community more attractive for private investment supporting economic vitality and a high quality of life that will better retain and attract young people and families, businesses for jobs, and generally create a more vibrant place to live and work.

**Where have these sorts of changes taken place in Pennsylvania?**

There have been 11 approved, and 16 rejected, municipal consolidation and merger votes in Pennsylvania since 1990.

Approved:

1991, City of St. Marys, Elk Co.

Approved consolidation of St. Marys Borough and Benzinger Township

1991, Nelson Township, Tioga Co.

Approved merger of Elkland Township into Nelson Township

1992, Black Lick Township, Indiana Co.

Approved merger of Jacksonville Borough into Black Lick Township

1994, Fairview Township, Erie Co.

Approved consolidation of Fairview Borough and Fairview Township

1997, Northern Cambria Borough, Cambria Co.

Approved consolidation of Barnesboro Borough and Spangler Borough. Note: Was previously rejected in 1993.

1997, East Pennsboro Township, Cumberland Co.

Approved merger of West Fairview Borough into East Pennsboro Township

1998, Muhlenberg Township, Berks Co.

Approved merger of Temple Borough into Muhlenberg Township

2001, Wyomissing Borough, Berks Co.

Approved merger of Wyomissing Hills Borough into Wyomissing Borough.

2002 Wharton Township, Potter Co.

Approved merger of East Fork Township into Wharton Township

2003, Spring Township, Berks Co.  
Approved merger of West Lawn Borough into Spring Township, .

2005, Rush Township, Centre Co.  
Approved merger of South Philipsburg Borough into Rush Township

Rejected:

1991, Rejected consolidation of East Stroudsburg Borough, Hamilton Township, Middle Smithfield Township, Price Township, Smithfield Township and Stroud Township, Monroe Co.

1991, Rejected consolidation of Casandra Borough, Portage Borough and Portage Township, Cambria Co.

1993, Rejected consolidation of Barnesboro Borough and Spangler Borough, Cambria Co. (Note: Was later approved in 1997.)

1993, Rejected merger of Seven Fields Borough into Cranberry Township, Butler Co.

1994, Rejected consolidation of East Rochester, Rochester Borough and Rochester Township, Beaver Co.

1995, Rejected consolidation of State College Borough, College Township and Patton Township, Centre Co,

1995 and 2002, Rejected consolidation of City of DuBois and Sandy Township, Clearfield Co

1995, Rejected consolidation of Tower City Borough and Porter Twp., Schuylkill Co.

1995, Rejected merger of South Renovo Borough into Renovo Borough, Clinton Co.

2001, Rejected consolidation of Susquehanna Boro., Oakland Boro., Susquehanna Co.

2001, Rejected merger of Cassandra Borough and Portage Township, Cambria Co.

2004, Rejected consolidation of Portage Borough and Portage Township, Cambria Co.

2004, Rejected consolidation of the Cities of Farrell, Hermitage and Sharon and the Boroughs of Sharpsville and Wheatland, Mercer Co.

2005, Rejected merger of Burgettstown Borough into Smith Township, Washington Co.

2005, Rejected merger of Coal Center Borough into California Borough, Washington Co.

**What would be the size of the combined municipality?**

Shenango Township has a year 2000 population of 4,037 persons in 29.9 square miles of land, while West Middlesex Borough has 929 in 0.9 square miles. A single combined municipality would have 4,966 persons in 30.8 square miles.

**What have been the recent demographic trends of the area?**

The following demographic trends appeared in the Report: Considering A Single Government For West Middlesex Borough and Shenango Township, June 26, 2006.

- “The population of the United States is growing rapidly and the population of Pennsylvania is growing slowly. The population of both West Middlesex and Shenango is declining.
- “The median age of both the US and PA is increasing, while the median age of West Middlesex-Shenango area is higher than the others and is increasing at a rate that exceeds both. It is also noted that Shenango Township is aging much more rapidly than the Borough.
- “The percentage of those 65 years of age and older in the US is falling. The percent of those 65 years of age and older in PA is increasing slightly. The percent of those 65 years of age and older in West Middlesex-Shenango area is increasing much more rapidly than Pennsylvania as a whole. It is again noted that Shenango Township is aging much more rapidly than the Borough.
- “The per capita income and median household income in the West Middlesex-Shenango area are well below the both Pennsylvania and the US.
- “The median house value of owner occupied units in both West Middlesex and Shenango is well below both Pennsylvania and the US.
- “In summary, the West Middlesex-Shenango area is rapidly aging and declining in population at the very same time as its citizens earn less and own homes of lower value than the averages throughout Pennsylvania and the nation.

“This situation shows that changes need to quickly take place. Unless younger people begin to stay in the West Middlesex-Shenango area and others move in to create wealth producing employment opportunities for themselves and others there cannot be a positive future. Those who remain will find themselves increasing facing a sense and reality of decline. As the current generation passes, the community will experience even more rapid decline. The crisis is at hand and must be reversed.”

**What is the Joint Comprehensive Plan the two governments have been working on?**

The two municipalities have been working together on a Joint Comprehensive Plan prepared by the Shenango Township/West Middlesex Joint Comprehensive Plan Steering Committee, and facilitated by the two municipalities, the Mercer County Regional Planning Commission, and Spotts, Stevens and McCoy, Inc., under authority of the PA Municipalities Planning Code. The plan identifies future actions in the community that the governments can work on individually or together to improve the community. Regardless of whether the governments are combined, the items identified in the joint plan should be acted on in accordance with the plan.

**What do we learn from the financial analysis for the combined government?**

A financial analysis of the combined government was prepared by the Borough and Townships working together and facilitated by Alan Kugler. The objective was to assess Township and Borough financial information and estimate income, expenses, and taxes for a single government if it existed in 2008. The analysis shows that through efficiencies, that expenditures of a single government will be lower than the two governments combined but operating separately. These efficiencies mean that less overall taxes dollars are needed. As a result, taxes levied by the new government would be lower than they would be if the efficiencies were not available. The bottom-line is that tax rates in the combined government are projected at the level equivalent to the Township's rates.

**Can you explain the use of fund balances in the municipal budgets?**

Each municipality makes extensive use of beginning and ending "fund balances" in their annual budgets. A combined municipality would continue to do so.

In some cases over the course of the year fund balances are drawn down and in others they are increased. In the analysis of the 2008 budgets for the municipalities to estimate a combined municipality, one finds that revenues are less than expenditures in both current municipalities, and also projected for the combined government. This is because the current municipal governments have beginning year fund balances that they project to use to support their budgets throughout the year. Under the combined government, this amount is estimated to be the same. In order to properly compare the present to the projected, it is important that the draw down of the fund balance not be changed one way or the other. An example of the use of the fund balance is the Borough Sewer Fund. In 2008 the Borough has budgeted to draw down nearly \$158,000 from the fund balance for capital improvements. Likewise, the Township has budgeted drawing down its fund balances for various one time and special needs totaling approximately \$141,000. Fund balances for both governments go up and down, year to year, depending on circumstances.

**Has the budget been balanced by selling buildings and equipment?**

No... With the exception of a street light district in the area of a former Borough (see question below), no new revenues have been included in the combined government's budget. Expenses are reduced only as a result of obvious efficiencies without liquidating any assets.

**How are street lights to be handled under a combined government?**

At the present time, each municipality pays for street lights out of its general fund, supported by all taxpayers. Under a combined government, it is envisioned that the cost of a portion of the street lights in the former West Middlesex Borough will be shifted into a special district to be paid for by property owners in the former Borough. In this way the citizens of the entire new single government would not be asked to support the cost of this specialized service, which would not be provided municipality-wide. Street Light districts are permitted under authority of the Second Class Township Code. If the costs of a portion of the street lights are held in the former Borough, the residents there would still have their overall costs dramatically reduced under the single government. They would see their taxes reduced by more than half the current rates.

**How will sewer services be provided?**

At the present time the Shenango Township Municipal Authority, totally independent of the municipal government, provides public sewer in the area of the Township. In the Borough this same service is provided as a partnership between the West Middlesex Borough Sewer Authority and the Borough municipal government. The Authority owns the system and contracts with the Borough for operations.

Here is what the Joint Agreement says about this relationship.

“The Shenango Township Municipal Authority and the West Middlesex Borough Sewer Authority shall continue as municipal authorities under the terms of their respective Charters, Articles of Incorporation, and By-Laws. Operating of the Borough sewer system shall continue for the single municipal government under the terms of any agreement of lease or contracts between the West Middlesex Borough Sewer Authority and the Borough of West Middlesex. The single municipal government may seek with the respective authorities to alter relationships among the entities at the discretion of the Board of Supervisors. Alterations in relationships may also take place during the period of transition.”

**How will fire services be provided?**

It is intended that the existing volunteer fire departments will be preserved in the areas they currently serve. This is stated in the Joint Agreement.

**If all of the elected officials in the combined government are to be voted upon in 2011 and seated in 2012, they why is an election schedule in the Joint Agreement?**

If the 2008 vote approves combining the governments, then the Supervisors, Auditors, Tax Collector, and Constable would all be voted on in 2011 and seated with the new government in January 2012. The election schedule in the Joint Agreement is necessary so that the Supervisors and Auditors will have staggered terms of office. Ultimately all Supervisors and Auditors will have six year terms.

**Why must three years elapse from the time of approval by the voters in 2008 and the operation of the combined government commencing in 2012?**

This is due to requirements in Pennsylvania election laws that municipal officials, such as the Supervisors, be elected only in odd numbered years and seated in even numbered years. With approval possibly happening in 2008, there is not enough time to prepare and it would be too soon to elect officers for the combined government in 2009 and commence operations in 2010. The additional years will have the benefit of providing adequate time for transition planning.

**How will transition be accomplished?**

Transition planning and actions is an essential task to smoothly bring the combined government into operation. The Joint Agreement states that:

“During the years 2009, 2010, and 2011, the Borough and the Township governments shall work closely together to effect a smooth transition into the single municipal government as is required by the PA Municipal Consolidation or Merger Act.”

“The Borough and Township shall form an advisory Transition Committee, which shall begin to function within two months following certification of an approved vote to establish the single municipal government. The Transition Committee shall undertake operational planning and process recommendations to combine services, ordinances, assets and budgets in conformance with this Joint Agreement. The Transition Committee shall be comprised of nine (9) individuals. Specifically, the Transition Committee shall be comprised of two (2) Members of Borough Council, two (2) members of the Township Board Supervisors, two (2) other individuals representing the Borough and two (2) other individuals representing the Township, all of whom shall be appointed respectively by the Borough Council and the Township Board of Supervisors, and one (1) individual jointly appointed by the Borough Council and Township Board of Supervisors. Meetings and actions of the Transition Committee shall be open under the Pennsylvania Sunshine Act. Upon commencing of the operations of the single municipal government, the Board of Supervisors of the single municipal government may thereafter terminate the Transition Committee through resolution at a time that it deems appropriate in consultation with the Transition Committee.”