



State of New Jersey

OFFICE OF THE STATE COMPTROLLER
P.O. Box 024
TRENTON, NJ 08625-0024

CHRIS CHRISTIE
Governor
KIM GUADAGNO
Lt. Governor

A. MATTHEW BOXER
State Comptroller

February 15, 2011

Contact: Pete McAleer
609-633-2377

State Comptroller report shows transparency lacking at local authorities and commissions

Comptroller announces creation of transparency portal of websites for all government entities in New Jersey

Only three percent of New Jersey's independent local authorities and commissions post their financial reports on the internet and more than a third do not operate a website at all, according to the findings of a report released today by the Office of the State Comptroller (OSC).

Casting light on some of the more obscure portions of New Jersey's bloated and often overlapping system of government, the OSC report catalogues the state's 587 local authorities and commissions and analyzes the level of on-line transparency offered by each. The report estimates that these local agencies spend a combined \$5 billion annually and have incurred billions of dollars in debt as well.

Along with the report, the OSC announced the creation of a "transparency portal" that offers one-stop access to the available websites of more than 1,900 government entities operating in the state, including the 587 local authorities and commissions, 604 school districts and 566 municipalities. The portal can be viewed at OSC's website, www.state.nj.us/comptroller.

The 587 local agencies catalogued in the report include improvement authorities, sewerage authorities, pollution control authorities, utilities authorities, parking authorities, bridge commissions, water commissions, redevelopment authorities, port authorities, fire districts, housing authorities, joint insurance funds, urban enterprise zone development corporations, regional health commissions, county parks commissions, workforce investment boards and soil

conservation districts. The report noted that the state averages one government unit for every 3.8 square miles.

“When you have so many different government units spending public dollars, it becomes difficult for even the most attentive members of the public to monitor how their money is being spent,” State Comptroller Matthew Boxer said. “Too often the public never hears about these local agencies until scandals unfold. But we pay for these agencies every day – when we pay tolls, when we pay our water bills and when we pay our property taxes.”

The OSC report found that many of New Jersey’s local agencies fail to take basic steps to keep the public informed of their operations and finances. For example, 36 percent do not operate a website. Of the local agencies that do operate a website, the report found many failed to include basic and significant information. For example, only eight percent of those local agencies post the minutes, schedule and agendas of their public meetings on the web. Only three percent of local agencies post their Comprehensive Annual Financial Report or a similar fiscal report.

“For too long, many local authorities and commissions in New Jersey have acted like private clubs, publicizing agency information only when it suits their needs,” Boxer said. “New Jersey residents are entitled to information about the operations of all of the government entities they fund - and those government entities must do a better job of providing the public with access to that information.”

The OSC report recommends that all local agencies establish a website that includes:

- detailed agency financial information;
- a description of the agency’s mission and responsibilities;
- basic contact information, including the name and phone number of at least one official responsible for the agency’s actions; and
- a schedule of the agency’s meeting dates, agendas for future public meetings and the minutes of prior meetings.

The report also looked at some of the financial costs associated with operating these myriad local agencies. Based on a sample of those agencies, OSC estimated the total annual expenditures and total debt for the 587 local agencies each exceeds \$5 billion. More than 10,000 current employees of those local agencies are in the New Jersey pension system.

“When you have so many government units, each contracting separately for services and each hiring their own personnel, the costs of government become duplicative and maximizing efficiency becomes nearly impossible,” Boxer said.

Only seven government entities satisfied all of the transparency measures used by the OSC. A complete list of how the 587 local agencies fared in each transparency category is included with the report.