



**Township of Toms River
P.O. Box 728
Toms River, NJ 08753**

**Contact: Mayor Thomas F. Kelaher or
lvaleri@tomsrivertownship.com
(732) 341-1000, ext. 8255**

**Debbi Winogracki
Public Information Officer
732-575-5150 cell**

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Toms River Earns Innovation Awards for Cost-Saving Measures

TOMS RIVER TOWNSHIP- The Township of Toms River was recently recognized with two awards at the NJ State League of Municipalities Convention on November 16, 2011. The first honor is the National League of Cities “Innovation in Government Award” and the second recognition is from both the NJ State League of Municipalities and the Department of Community Affairs. That award is the “2011 Innovation in Governance Award – Innovative Cost Savings” for “police contract concessions to avoid layoffs using a better, more effective process with a large department.”

Township Business Administrator Paul Shives says, “These awards were given in recognition of the effort of the administration’s successful re-opening and re-negotiation of all eight of Toms River’s collective bargaining agreements in order to save money through a variety of ways including the elimination of the most expensive Health Insurance Coverage and switching to a PPO plan.” Mayor Thomas F. Kelaher said, “I know that many municipalities, including Toms River, have had a difficult time figuring out ways to stay within Governor Chris Christie’s 2% property tax cap. Working with the collective bargaining units can be very difficult. We are fortunate that we had the cooperation from our eight Collective Bargaining Units who agreed to furloughs (except for the Police), pay freezes, and a new PPO medical plan. The PPO plan alone saved the township \$900,000.”

Other cost-saving measures include a deferral of raises, “split” raises (half on 1/1 and the other half of 7/1) for the future years of the contracts, and a reduction of overtime. This past June, Mayor Kelaher announced changes to the PBA contracts. The modifications established a new, reduced salary range for newly hired Police Officers who are hired after January 1, 2011. This measure will save over \$100,000 per officer over the term of their employment, which is estimated to be 20 years.

Shives explains that the Township received a “AA” Rating from Standard and Poor’s for Toms River’s upcoming General Obligation Bond Sale. As part of that review, Shives states, it was noted that “the rating committee was very pleased with what the management has done in cutting expenses proactively and maintaining a strong financial performance in these tough economic times.”



(Photo courtesy Debbi Winogracki)

Toms River Mayor Thomas F. Kelaher and Business Administrator Paul Shives display the “Innovation in Government” Awards given to the Township in recognition for the Township’s cost-savings initiatives.