

**CITY OF NORTHFIELD COUNCIL
BUDGET WORKSHOP MEETING MINUTES
FEBRUARY 13, 2025**

At 4:00pm this meeting was called to order by Municipal Clerk Mary Canesi, who welcomed the audience. This meeting was properly advertised in the Press of Atlantic City on January 11, 2025, and in accordance with Public Law 75, Chapter 231.

FLAG SALUTE

The flag salute was led by Council President Pro Tempore Dewees.

Present: Councilwoman Carfagno; Councilman Dewees; Councilwoman Kern; Councilman Polistina; Councilman Smith; Council President Bucci

Absent: Councilman Notaro; Mayor Chau*

**Mayor Chau arrived at approximately 4:07pm but was not present when attendance was taken.*

Municipal Clerk/Business Administrator Canesi, Chief Financial Officer Stollenwerk, Police Chief VonColln, and Superintendent of Public Works Vitale were also in attendance.

2025 BUDGET DISCUSSION

Council President Bucci deferred to CFO Stollenwerk for initial explanation of the proposed budget.

CFO Stollenwerk referred to the budget, this was the first year we've had an issue getting below the cap and we would be using cap funds to create a legal budget; we also needed to reduce our budget to meet the levy cap. With all the budget requests it was a 12.9 cent tax increase. Last year we generated \$1.2M in income, which happens when our revenues exceed what we anticipated, or our expenses are less than the prior year. She explained conditions and proposed surplus balance for this year. We added \$5.6M in ratables which brings an additional \$57,000.00 into the budget.

CFO Stollenwerk reviewed non-discretionary increases and changes to the budget including health insurance, property and liability insurance, and changes to the court. She noted that the Atlantic County Utilities Authority (ACUA) had made a miscalculation and we are waiting for the revised assessment; it could impact the budget.

**At approximately 4:07pm Mayor Chau entered the meeting.*

CFO Stollenwerk continued; we reduced our debt service and everything in the budget has been funded including staffing requests. Emergency Medical Services

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costs will increase this year based on our fee schedule in the contract. Anticipating the Habitat for Humanity project, engineering fees would be funded via a grant from Habitat. There is \$100,000.00 for continuation of document scanning.

Clerk Canesi advised that she recently became aware of a grant opportunity that may be useful for document scanning; she would be applying for that grant and the funding request for \$100,000 can be removed from the budget.

CFO Stollenwerk suggested addressing unfunded issues; she noted the request to increase the salary for Council members. This was not funded.

Council President Bucci requested that she not receive a greater salary than the balance of the governing body in her role as Council President.

Councilman Smith explained that it was he who requested the increase to the Council salaries, in the fall, based on using the County wide average. He made the request to make a point.

CFO Stollenwerk moved to the part-time mechanic for Public Works.

Councilman Dewees advised CFO Stollenwerk she could remove the mechanic and part-time assistant.

CFO Stollenwerk moved to the proposed sewer pump station and maintenance with the ACUA - this was not funded in the budget; she believed Councilmen Polistina and Notaro had been working on that. The proposal from the ACUA was \$49,000.000 for all maintenance. She received a copy of draft agreement and would circulate it for the Council.

Councilman Smith asked how had it been handled in the past?

Councilman Dewees replied, internally.

Councilman Polistina added that they were looking at it based on having maintenance log information and comparing it to our current schedules are.

Superintendent Vitale informed Council that Linwood pays over \$200,000 for the same number of stations; he spoke with Linwood Municipal Clerk Napoli. He also said that after one year, the costs will increase.

Councilman Polistina asked Superintendent Vitale who does Linwood now. He believed it was the Egg Harbor Township Municipal Utilities Authority.

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Superintendent Vitale replied that they have several agencies they use and pay over \$500,000 for sewer.

Councilman Polistina felt we needed to make sure we have properly maintained infrastructure.

Superintendent Vitale added that the DEP inspects our system every year, we have always had a good inspection and they will tell you our system is in good shape for what we have. The ACUA cost Linwood hundreds of thousands of dollars in upgrading their stations. Everyone needs to know, to compare apples to apples.

Councilman Polistina replied that they would do some more work for the next meeting.

Councilman Polistina, continued, stating that he and CFO Stollenwerk were talking about operating budgets over the past few years. He suggested backing down all operating budgets.

Councilman Smith requested budget line information from CFO Stollenwerk back to 2020; he noted some significant increases in certain lines in the past 5 years. He felt we couldn't add to what we used last year, we have to scale back.

Councilman Polistina asked if Council want to start going through departments.

CFO Stollenwerk offered that we know we will have an increase this year; what is the number that is palatable to the Council, not that any increase is palatable. She would go through the operating expenses and talk to departments about what can be scaled back. She suggested options regarding revenues and cautioned about the impact on surplus when revenues and expenditures are so close. She would like to get surplus up a little bit in the next few years, because we would be going out for permanent financing in that timeframe.

CFO Stollenwerk explained the application of the Safe and Secure grant to all salaries this year.

Councilwoman Carfagno asked for the Clerk's department separate handout.

CFO Stollenwerk asked Clerk Canesi if that was emailed?

Clerk Canesi replied, yes.

CFO Stollenwerk stated that was being discussed amongst members of Council and we should have an answer for the next meeting.

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Councilwoman Carfagno asked did we get the grant for Birch Grove?

Councilman Dewees replied, we applied for it.

Councilwoman Carfagno asked if we don't get the grant we won't be moving forward?

Councilman Dewees replied he would like to, but probably not.

CFO Stollenwerk announced she would work up some new revenue numbers and would work with departments on their operating expenses.

Councilman Smith asked to review appropriations, noting that there was a 16% increase for the Council.

CFO Stollenwerk explained that there was a Council person last year who did not take a salary.

Councilwoman Bucci advised CFO Stollenwerk she could reduce the Economic Development Commission to \$3,000.

Councilman Polistina advised CFO Stollenwerk she would take out \$2,200 for Senior citizens; he would fund that himself.

Councilman Smith asked what was the Office of Emergency Management increase?

CFO Stollenwerk explained we get a grant every year, if we do get it this year she would adjust the numbers. She offered to cut operating expense lines back to prior year and see how that looks.

Councilman Polistina felt like purchases get end loaded at the end of the year.

CFO Stollenwerk added that in 2023, \$423,000 was not spent, which would lapse into the following year.

Councilman Polistina believed if we made it through August, that last quarter, some of it may be getting ready for the beginning of the next year, but some may be spent so it doesn't get cut from the following year.

Councilman Smith asked about the \$60,000 for the library.

CFO Stollenwerk explained the funding formula, our assessed valuation went up, so the tax to the library goes up; this was not included in our levy cap.

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Councilman Polistina asked were all insurances, the total on the page, inside the cap.

CFO Stollenwerk replied, some is inside, some is outside.

Councilman Polistina refers to the Health Insurance Fund; he believed that was no longer on the table.

CFO Stollenwerk stated our loss ratios do not make us a favorable risk for a new insurer. Employee contributions are \$307,000; the number in the budget does not include that.

Councilman Smith confirmed it was a \$500,000 increase, total.

Chief VonColln directed CFO Stollenwerk to reduce certain lines by \$10,000 each; he noted items in his budget from last year that weren't anticipated, and others for this year that aren't able to be adjusted, citing certain IT needs, and others, based on Attorney General guidelines. He reviewed costs associated with SWAT teams and necessary gear, it can be very costly if we don't dedicate and fund certain resources, equipment, and training.

Discussion ensued regarding State mandates regarding law enforcement activities.

Councilman Smith noted the police overtime budget consistently comes in under budget; we've budgeted \$70,000 but it consistently comes in under \$30,000.

Chief VonColln appreciated Councilman Smith's concern but advised that it is illegal to overspend your overtime budget. He asked CFO Stollenwerk to confirm.

CFO Stollenwerk clarified that we can't over expend without authority; if there isn't enough money we can increase the authority.

Council President Bucci and Councilwoman Carfagno asked for a list from CFO Stollenwerk of all non-union salaries.

Councilman Polistina suggested looking at overtime in all departments.

Councilwoman Carfagno asked does the City ever do wage freezes?

Clerk Canesi replied that you can't do that with union employees but you could with the non-union employees.

CFO Stollenwerk clarified that Council could not withhold increases from statutory officers, which include the Superintendent of Public Works, Tax Assessor and

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Collector, and Chief Financial Officer, but that is covered under a shared service, and the Municipal Clerk.

Councilwoman Bucci asked how much do we have to cut to get to 3.5 cents?

Councilman Polistina replied, \$300,000.

Councilman Smith asked what was the process to exceed the cap?

CFO Stollenwerk explained that we are using all available remedies, the budget is actually legal but was using all of our cap bank. It is 12.9 cents.

Superintendent Vitale asked CFO Stollenwerk what she added to capital for Public Works and Sewer?

CFO Stollenwerk responded that we were not talking about capital right now, but there was \$15,000 for emergencies.

CFO Stollenwerk offered to cut everything back to zero increase and see what Council wanted to add. She added that the last 5 years City's average increase was 1.1 cents.

PUBLIC SESSION/FIVE MINUTES PER SPEAKER

Council President Bucci opened the public portion of the meeting for any person to comment on any subject, she asked that they state their name and city of residence for the record and observe the five-minute limit per speaker.

Seeing no one wishing to speak, Council President Bucci closed the public comment portion of this meeting.

MEETING NOTICES

Council President Bucci read the meeting notices.

At approximately 5:18pm, on motions properly made and seconded, this meeting was adjourned.

Respectfully submitted,

Mary Canesi, RMC, Municipal Clerk