

**CITY OF NORTHFIELD BUDGET WORK SESSION  
FEBRUARY 21, 2019**

At 5:03pm, this meeting was called to order by Mary Canesi, Municipal Clerk. This meeting has been properly advertised in the Press of Atlantic City on January 26, 2019, in accordance with Public Law 1975, Chapter 231.

**FLAG SALUTE**

The flag salute was led by Mayor Chau.

**ROLL CALL:**

Present: Dewees Korngut, Madden, O'Neill, Perri, Smith, Lischin

Mayor Chau, CFO Dawn Stollenwerk and Chief Newman were also present.

**READING AND APPROVAL OF THE MINUTES**

On motion of Councilwoman Korngut, seconded by Councilman O'Neill, all members present were in favor of approving the minutes of January 31, 2019, without formal reading. They were posted, distributed to Council, and on file in the Municipal Clerk's Office.

Council President Lischin welcomed everyone to the meeting and deferred to CFO Stollenwerk to review where Council had left off.

CFO Stollenwerk reported at the last budget meeting it seemed like we were hiring one additional police officer; that had been funded for ½ of the year. She reviewed the surplus balance. We were still at zero increase. She asked for confirmation about hiring an additional firefighter, and continuation of camping at Birch Grove Park.

Council President Lischin reviewed that the discussion was that we wanted to see the figures with the police officer included. At this point we were still at a flat zero increase, he asked how much was a taken out of surplus.

CFO Stollenwerk replied that she took another \$50,000.00 out of surplus for half of a year.

Councilman Perri asked for confirmation that next year the cost for an officer would be double.

CFO Stollenwerk replied, yes, in 2020 it would cost just under \$97,000.00.

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Mayor Chau asked about the Safe and Secure Grant

CFO Stollenwerk responded that we would get another \$15,000.00; she explained how the Safe and Secure Grant worked. The City was funding two officers with the grant; we essentially received \$15,000.00 per officer.

Council President Lischin stated that he'd asked CFO Stollenwerk to fit it in there to see how it would affect the budget. This was at zero because we had a few one-time savings in the budget; we won't see any of that next year.

Councilman O'Neill added that we would have the revenue from the apartment complex.

Council President Lischin urged caution with regard to expectation of revenues from the Gurwicz project. He asked Chief Newman to explain why the focus on adding an officer was more due to the addition of the new youth shelter.

Chief Newman reviewed the historical activity with the former youth shelter that was in a similar location, adding that it was our jurisdiction.

Councilwoman Korngut recalled that a decision was not made with regard to the police officer at the last meeting.

Council President Lischin reiterated that he'd asked CFO Stollenwerk to add it, to see the effect on the budget.

Chief Newman explained that the police calls for service had increased year over year since 2014. He urged proactivity, as opposed to reactivity.

Mayor Chau noted that historically squads were 3-4 men, now a sergeant and 2 men was common. A sick call or vacation further reduces that number.

Council President Lischin reviewed the calls for service numbers for the past 3 years, he felt new officers on the street would increase citations.

Chief Newman explained that when he looked at productivity, he considered self-generated activity, as opposed to responses to calls.

Councilwoman Madden stated that she had not heard residents complain about crime; she felt Chief Newman was doing a great job with the current staff.

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Councilman Perri commented that in the 1st year, the benefit package exceeds the salary for the police officer, in the 2nd year it is about equal.

Councilman Perri felt the hard cost should be passed on in the form of an increase, so that next year it's not a cent. When you have overtime, you are not paying the benefits.

Councilman O'Neill stated that if you are asking if he was for the officer, he was, and if Council wanted to make it a half-cent increase, he was okay with that too. He could go either way on funding for the officer. He would go with the majority of Council.

CFO Stollenwerk clarified, as to revenue, for every million dollars in ratables the City only sees about \$9,000. The City had lost between \$11-\$13 million dollars a year, every year, since 2010.

Councilman Perri felt it was hard to give an answer without reviewing the whole budget. He asked if on the summary sheet, the revenues and appropriations were the same.

CFO Stollenwerk replied that they always would be. She explained that the declines in revenues were mostly grants; we add them to the budget as we receive them using a Chapter 159. They were budget neutral, we get a revenue and then we spend it.

Councilman Perri asked if the other increases were contractual.

CFO Stollenwerk replied yes, and we have officers on the step guide, which results in a little bit more than a 2% increase.

CFO Stollenwerk reviewed the budget packet in detail, she gave an explanation of the cap information and levy. The budget was down \$359,000.00. We were using \$5,000.00 less in surplus than last year. Our local revenues were up a little bit because of UCC fees, and some from court. She provided an explanation of each revenue and appropriation category. Nothing really changed in the line items for each department other than what was already discussed. She reviewed projects in the capital section of the budget.

Councilwoman Madden asked were we voting on the police officer? Or was it already done?

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Councilman Lischin responded that we skipped that a little bit, by reviewing some other things, but it was not done.

Councilwoman Korngut asked were we still funding FAN's insurance.

Councilman Dewees replied yes, but we talked about phasing it out in the future.

CFO Stollenwerk noted that we pay their insurance, around \$9,000.00, but we had cut their other funding.

Council President Lischin asked Councilman O'Neill, as FAN liaison, to check with them.

CFO Stollenwerk cautioned that there should be a process in place to ensure that coverage was in place, and that the City was additional insured, that there was no lapse in coverage, etc.

Councilman Smith asked about Northfield Little League; don't they pay their own insurance?

Clerk Canesi explained that since Northfield Little League pays in full for a year, we have a Certificate of Insurance for a year; FAN may not have the ability to pay a \$9,000.00 bill and may pay in installments, if one was missed or was late there may be a lapse in coverage. She suggested that we could pay it and they reimburse us.

Councilman Perri suggested a fee for insurance, if the fee isn't paid, then don't register.

CFO Stollenwerk added that there was no financial regulation that prohibits them from reimbursing us.

Councilman O'Neill would see what they say when he attends the next FAN Board meeting.

Councilman Perri asked about the \$90,000.00 for the meeting room, and the \$110,000.00 in the capital improvement fund.

CFO Stollenwerk stated that the \$110,000.00 was what we'll move to the capital improvement fund if we approve this plan.

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Councilwoman Korngut asked if we received the numbers on the camping.

Councilman Dewees said he had spoken with Superintendent Qwin Vitale, it looked like start-up was about 40 hours a week, with 4 guys, totaling 160-man hours, just to get the campground ready for opening, then they continue to maintain it all season.

Council President Lischin recalled the discussion that if we lose the camping revenue, we would lose a lot of the expenses, and none of the labor was in there.

Councilman Dewees said he felt we should be out of the campground business.

Councilman Smith advised that he also spoke with Superintendent Vitale; there were some one-time expenses that if they were removed, the park would be in the black. Two 2 nights of hayrides would net around \$3,000.00 each, which brought the income to around \$11,000.00. He felt that the loss of camping will have an economic impact on the City.

Councilwoman Korngut suggested the campgrounds be leased to the County.

Councilman Dewees did not think the County would be interested, all of their parks were non-camping.

Council President Lischin explained that this was suggested five years ago. Could it be profitable, what could we do? At the time, Council explored all the options, the only firm that responded to be a management company for the campground wanted us to have all of the responsibility, but none of the revenue, and we had to make substantial improvements for them to do it. Five years later, we were in the same place; he agreed with Councilman Dewees that we should not be in the campground business.

Councilman Smith asked what needed to be done to improve the park.

Councilman Dewees explained that one of the bathhouses had to be completely revamped, the electrical system was old, the panels were outside and exposed to the elements and would have to be upgraded. Upgrades just for the bathhouse we would be looking at \$100,000.00-\$125,000.00.

Council President Lischin conducted a straw poll as follows:

Councilman Dewees was in favor of closing the campground and snack bar.

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Council President Lischin agreed with Councilman Dewees.

Councilman Perri suggested the senior group; if the snack bar became idle, they would like to occupy it and be stewards of it. This was mentioned by someone who was also a member of the Friends of Birch Grove.

Councilman Smith was not necessarily in favor of getting rid of it, but won't oppose Council's wishes.

Councilwoman Korngut was torn because residents had expressed that they enjoy it, but the numbers don't lie. She couldn't argue with all of the avenues that had been explored.

Councilman O'Neill was in favor of closing the campground.

Councilwoman Madden was in favor no campground or concession stand, and agreed that the building could be put to other use.

Council President Lischin asked could the seniors use it without insurance.

Clerk Canesi suggested that they could be formally recognized by the City to avoid having to provide their own insurance.

Council President Lischin moved to a decision on the police officer; he said we are at a zero, or a half-cent, if we add the police officer.

Councilman Perri was in favor if we added the half-cent to the tax rate.

Councilwoman Madden was not in favor of adding an officer.

Councilman O'Neill replied yes, he agreed with Councilman Perri.

Councilwoman Korngut replied no, she felt taxes were a concern, the Police were doing a great job with the current staff. In an ideal world we would give the Chief everything he wanted, but people can't afford to live here. The long-term costs were a concern.

Councilman Dewees was in favor of an additional officer.

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Councilman Smith responded that he could see Councilwoman Korngut's and Councilwoman Madden's point; he asked Mayor Chau's opinion as the head of the department.

Mayor Chau said he understood that if we did hire, we were raising taxes either way, we didn't know what was happening with the tax appeals. We have information that we can possibly anticipate some problems. It was a hard decision.

Councilman Smith asked Councilman Perri why he did not want it to come from surplus.

Councilman Perri replied that it's a hard cost, he believed in passing along the actual cost to the taxpayer. He was not opposed to having another man on the street.

Councilman Smith replied yes, he was ok with funding a police officer.

Council President Lischin said he had also been on the fence; he said he was a no vote until he sat with the union. It was not about the apartment complex, it was more about the new youth facility. He wanted to keep the budget flat and use surplus.

CFO Stollenwerk recapped that the officer would be funded for half of the year.

CFO Stollenwerk advised that the Governor was giving his address on March 5th, we then know what our State Aid numbers would be, the amount won't go up but should be about the same. We will probably introduce the budget at the 2nd meeting in March with a half-cent tax increase.

**PUBLIC SESSION/FIVE MINUTES PER SPEAKER**

Council President Lischin did not open a portion of this meeting for public comment. *(For the record, there was no one in the audience.)*

At 6:40pm on motion of Councilman Perri, seconded by Councilman Smith, all members present were in favor of adjourning this meeting.

Respectfully submitted,

Mary Canesi, RMC, Municipal Clerk