

**BOROUGH OF PENNINGTON
RESOLUTION 2025-10.12**

**RESOLUTION IN SUPPORT OF ELIZABETH
STERLING PENSION APPEAL**

WHEREAS, Elizabeth Sterling is the Borough Clerk and Assistant CFO for the Borough of Pennington;

WHEREAS, as part of her job as Assistant CFO, from the beginning, Ms. Sterling has been responsible for collecting, depositing and accounting for the full range of Borough revenues, either directly or as a backup to others as needed;

WHEREAS, in November 2018, the Utility Collector for the Borough resigned on short notice and Ms. Sterling immediately picked up his responsibilities;

WHEREAS, in the Spring of 2019, after Ms. Sterling had absorbed these extra responsibilities as part of her regular workday, she was asked and she agreed to take them on permanently in exchange for a raise in salary;

WHEREAS, Borough Council memorialized this agreement in Resolution 2019-6.15 (copy attached) assigning her the additional responsibilities but mistakenly assigning to her as well the extra title of Utility Collector, effective July 1, 2019;

WHEREAS, assignment of the extra title to Ms. Sterling by Resolution 2019-6.15 was solely for budgeting purposes, to facilitate allocating the extra compensation to the Borough water/sewer utility;

WHEREAS, when Resolution 2019-6.15 was adopted there was no formal job description for the Assistant CFO title or the Utility Collector title or numerous other Borough titles, but in August 2023 Council Resolution 2023-8.9 approved job descriptions for 25 titles;

WHEREAS, Resolution 2023-8.9 (copy attached) approved a job description for “Assistant Chief Financial Officer” but not for “Utility Collector” because the latter functions were part of the Assistant CFO’s job;”

WHEREAS, the job description approved for “Assistant Finance Officer” (copy attached), which continues in effect, included at least four responsibilities, pertaining to collection, deposit and accounting for Borough funds:

“7. Daily receipt and deposit of Borough funds”

“8. Maintain accounts receivable and accounts payable for all Borough accounts”

”11. Maintain internal control and safeguards for receipt of revenue, costs, and program budgets and actual expenditures”

“12. Performs monthly account analysis and reconciliation of Balance Sheet accounts and subsidiary account”;

WHEREAS, in January 2024, as the result of an audit by the Division of Pensions and Benefits (DOPB), Ms. Sterling was notified by DOPB that the additional compensation for utility-collection responsibilities was not creditable for pension purposes in accordance with

N.J.S.A. 43:15A-25.2, which provides that anyone who becomes employed in more than one position after the 2010 effective date of the amended statute shall be eligible for membership in the retirement system based upon only one of the positions held concurrently;

WHEREAS, in response to this determination, even while Ms. Sterling was appealing it to DOPB staff, Borough Council introduced in March and adopted on April 4, 2024 an amended salary ordinance, Ordinance No. 2024-4, deleting the title of “Utility Collector” from the ordinance and assigning related compensation to the position of Assistant CFO, compared to Ordinance 2023-9 listing the Utility Collector as a separate title (copies of both ordinance also attached);

WHEREAS, on July 1, 2024, Borough Council adopted Resolution 2024-7.4 which confirmed elimination of the Utility Collector title “with the understanding that Assistant CFO/Borough Clerk Elizabeth Sterling shall continue to have responsibility for utility collections in her capacity as Assistant CFO, and that nothing will change in that respect except elimination of the extra title.”

WHEREAS, the intent of Borough Council in taking these corrective actions was to avoid conflict with the statute while confirming elimination of the title Utility Collector and the expectation that Ms. Sterling would continue to perform utility-collection responsibilities as part of her job as Assistant CFO;

WHEREAS, Ms. Sterling’s appeals to DOPB staff resulted in a hearing before the Board of Trustees of the Public Employees Retirement System (PERS) on September 17, 2025 and a decision by the Board memorialized in the attached letter by the Board Secretary dated September 26, 2025 ;

WHEREAS, at the core of Ms. Sterling’s appeal to the Board was application of the remedial statute N.J.S.A. 43:15A-54, which permits the Board to correct mistakes made by the employer which are not the fault of the employee;

WHEREAS, the Board decided that effective July 1, 2024 (coinciding with Council’s adoption of Resolution 2024-7.4), the extra compensation earned by Ms. Sterling for her utility-collection responsibilities shall be creditable for pension purposes; but the additional compensation for these responsibilities before that, dating back to June 2019, shall not;

WHEREAS, the decision by the Board permits Ms. Sterling to appeal that part of the determination with which she disagrees back to the Board by submitting a written statement setting forth in detail the reasons for her disagreement and any relevant documentation supporting her claim;

WHEREAS, Borough Council adopts this resolution to support that appeal by officially setting the record straight as to its intentions and pertinent related facts;

NOW, THEREFORE, BE IT RESOLVED, by Borough Council of the Borough of Pennington, that Council hereby declares as follows:

1. that the intent of Resolution 2019-6.15, effective July 1, 2019, was to permanently assign utility-collection responsibilities to Elizabeth Sterling as part of her job as Assistant CFO in exchange for an increase in salary;

2. that this assignment of additional responsibilities was appropriate because the responsibilities were entirely compatible with Ms. Sterling's other revenue-collecting duties as Assistant CFO, and she had proven that she could perform them as part of her regular work day;
3. that the additional step of assigning Ms. Sterling the title of Utility Collector for budgetary purposes was unnecessary and a mistake for which she was not responsible.
4. that Borough Council supports Ms. Sterling's efforts to restore pension credit for her full salary under N.J.S.A. 43:15A-54 or other authority, and Council hereby authorize her to present this Resolution to DOPB, the PERS Board and others as needed for this purpose.

Record of Council Vote on Passage

COUNCILMAN	AYE	NAY	N.V.	A.B.	COUNCILMAN	AYE	NAY	N.V.	A.B.
Angarone					Marciante				
Chandler					Stern				
Gnatt					Valenza				

This is to certify that the foregoing is a true copy of a Resolution adopted by the Borough Council of the Borough of Pennington at a meeting on October 6, 2025.

Elizabeth Sterling, Borough Clerk