



# Borough of Hillsdale

380 Hillsdale Avenue • Hillsdale, New Jersey 07642  
201-666-4800x1520 • Fax: 201-358-5002 • Email: [jruocco@hillsdalenj.org](mailto:jruocco@hillsdalenj.org)

John J. Ruocco, Mayor

April 21, 2020

My fellow residents, first let me express my appreciation for your efforts to overcome the effects of the pandemic by your adherence to social distancing and to the other restrictions issued by the State. Our lives have been turned upside down, and our emergency responders and health care professionals have assumed greater risk, but we are tough and will emerge smarter and stronger.

As I promised last week, I want to update you on the budgetary situation that has been made complicated due to the pandemic and the deepening recession. Last month I recommended to the Council that the budget that they had introduced on March 3 should be amended to reduce the municipal tax increase from 1.98% to zero. I wanted to provide tax relief to our residents and businesses. Despite some initial opposition on the Financial Committee, the Council amended the budget on April 14 to eliminate the tax increase, but then failed to gather the sufficient four Council votes to adopt it. There were concerns over whether the reduction in property taxes went far enough, whether operating expenses should be trimmed further, whether estimated revenues could be counted on given economic deterioration, and whether the logistical & financial uncertainties faced by the Stonybrook Pool were adequately reflected.

The Mayor & Council met again on April 17. While there was a preference on the part of some, including myself, to press for further reductions in expenditures, there was also wide acknowledgement of the great uncertainty over the financial prospects ahead, the impact on our normal revenues, and the ability to deliver services to the town. Accordingly, a consensus was reached to stick with the budget as amended, with **no municipal property tax increase**, but still containing a 4.3% increase in appropriations (expenditures.) It will come up for a vote on May 12. The Council also approved an interim temporary budget to cover the Borough through mid-June. However, because of the uncertain and deteriorating economic conditions, it was agreed that a tight lid on all future spending not related to the pandemic needed to be exercised by all Department heads for the next several months, even if the interim or final budget allowed for such spending. This is necessary in order to avoid leaving us in a potentially stressed situation at the end of the year where, if we spend all our budgeted appropriations, we might be forced to seek in 2021 a large tax increase, a reduction in services, or smaller capital improvements. I will work with the Borough Administrator and the municipal financial officer to develop spending priorities and guidelines.

Mayor John J. Ruocco