

Mayor Ruocco's "State of the Borough" Remarks --Annual Reorganization Meeting--Hillsdale Borough Council —Jan 5, 2020

I first want to thank all the Borough employees and volunteers for their efforts in 2019 to make sure that the residents of Hillsdale were well served, and that we remained an attractive and safe town.

The Borough forged ahead in a number of areas during the year.

- For at least the 4th year in a row, we were able to keep increases in the municipal portion of the property tax to an approximate range of between 1.8%-2.8%. This is the single most focused upon item that residents regularly bring to my attention.
- We continued to pay down our existing long term debt, now at \$1.1 MM, and refinanced existing short-term debt of \$2.2 MM at a lower rate, saving taxpayers \$10,000. We are among the least indebted towns in the area, giving us flexibility should we wish to borrow in the future.
- The results of our financial audit were extremely positive and strong, with hardly any negative findings
- We conducted an effective snow & leaf removal program, reflecting sound planning, execution, and wise capital purchases by our DPW and the Borough Administrators.
- Our road improvement program covered 2.6 miles of roads, or about 6% of all roads, at a cost of approximately \$773,000, and more than half of that was from grants, not municipal funds.
- We were successful in getting the NJDOT to reconstruct the main RR crossings in the downtown area.
- We received several grants totaling \$1.7mm for future infrastructure & street improvements, and a federal grant for a new senior van to be shared with WCL.
- Working with the local American Legion Post and the County, we reconstructed the war memorial in Veteran's Park to be a fitting tribute for those who died defending our nation, at no cost to taxpayers.
- Our Police Dept. completely renovated the front desk area of the station to improve security and serviceability. It also began the process of attaining

accreditation which will provide future financial and protective risk benefits for the Borough.

- We made significant progress toward establishing a framework to redevelop our Patterson Street industrial area, and in the process, reached an agreement with Waste Management that has resulted in the temporary cessation of their transfer station operations.
- We moved expeditiously to implement our Court-approved Affordable Housing Plan, and established a working compliance program.
- We obtained grant funding needed to improve our athletic facilities at Memorial Field, applied for a \$125,000 matching grant for Centennial Field, and began planning for possible additional and extensive refurbishing of Centennial.
- We have filed a request with the NJDEP for relief from expensive methane testing at Centennial Field, because of historically low readings, which will save the Borough approx. \$35,000 in 2020 and \$75,000 every future year.
- We finally began the planning process to identify possible sites for the construction of a new community senior center, and began exploring options to improve our athletic fields.
- The Council adopted legislation restricting noise and the use of tobacco products & vaping on municipal and school grounds.
- We adopted a Forestry Management Plan to help us financially & strategically in dealing with tree-related issues.
- And finally, on the human resources side, the Borough successfully concluded labor negotiations with several employee unions, and was able to hire a new Borough Administrator and find a new Chief Financial officer.

But let's stop looking through the rear-view mirror, and look ahead. In 2020, the Council is going to confront several challenges.

The **first** will be deciding what it wants done to Centennial Field, how much will it cost, and what the tolerance of the residents will be for paying for these improvements. There is no doubt that our athletic fields would benefit from an overhaul—the question is how much of an overhaul, at what cost, how to pay for it, and whether the residents of the town are willing to pay for it. The benefits of redoing the fields accrues heavily to families with school age children, but also to

all of us if it firms up property values. The Council will need to sell the idea to the broader community.

The **second** challenge will involve issues very similar to the first, but with respect to the construction of a senior community center. We are one of the few towns in this area that lacks such a facility. But as in the case with the fields, the Council is going to have to make some hard financial decisions and assess residents' willingness to pay for it.

The **third** challenge will be arriving at a redevelopment plan for the Patterson industrial area that makes sense for the Borough and is done in a manner that is transparent to the residents and allows for their input. Redevelopment efforts are generally flash points for divergent views. People get passionate, especially if you own property in or near the area to be redeveloped. Most people tend to resist change in communities where they have lived for years, especially if the community is deteriorating. That is DEFINITELY NOT THE Case in Hillsdale!! But I hear frequently from residents that they like the small town character of our town. They don't want that to disappear. I tell people that the Hillsdale of 10 years from now will look somewhat different than 10 years ago, but not dramatically different.

Let no one doubt that change is coming! It's going on all around us, in Park Ridge, Montvale, WCL, RiverVale and Emerson. Some of it may be good & necessary, some of it may not. Some of it is prompted by court mandated affordable housing requirements and not market forces. In my view, that's not a good thing. But in Hillsdale, there are also other factors at play. We are a desirable community, well served by public transportation and a good school system. We are the type of community that young adults want to move into, but aren't quite prepared to buy a single family home. We are a municipality heavily dependent on residential property taxes, but few commercial properties. If this Council can smartly redevelop the industrial area, it will increase Hillsdale's attractiveness, add to our tax rateables, and help satisfy our affordable housing plan. But to get there, the Council and our Planning Board must be well-advised by professionals, must be open to change, and be able to convince our residents that it makes sense.

These are the biggest challenges I believe we will face in 2020. But there are some other items of concern.

- We must insure that Stonybrook is profitable and well-managed. Pool clubs throughout the state have a reputation for being black holes. We have been fortunate thus far in Hillsdale, as the pool has managed to stay in the black and pay for itself. But its level of profitability has declined over the years. The Pool Commission and the Council will need to be vigilant.
- Opportunities for shared service arrangements, as they arise, must not be lost due to the absence of political will. Last year we had within our grasp the opportunity to save a million dollars over 5 years by shifting our dispatch desk to the County. But we did not act, overthinking the negatives and the political impact. There is still an incredible amount of savings that can be attained by reconsidering this idea. Other towns have found the political will to do this for their taxpayers. Why shouldn't Hillsdale be among them?
- We need to pursue getting grant money that was taken away from us last year by the DEP so that we can join Park Ridge and Woodcliff Lake in completing the Suez Nature Walking trail adjacent to the reservoir. This will be a wonderful enhancement for our residents. Our Borough engineer, Chris Statile, is closely monitoring the State for available grants. Meanwhile, Mr. Ed Alter of our Environmental Commission continues to track developments on this for us.
- The Borough Administrator, DPW, and the Council in general will need to make sure that our Forestry Management Program is executed as per plan. We adopted this plan in 2019. Our 2020 budget must include funds needed to carry that forward.
- And while all these matters are getting attention, the Council must keep property tax increases under control. This will benefit not only those on a fixed income, but also prospective homebuyers who would like to move into our town. It will not be easy, trying to control property tax increases

while improving the quality of our lives with significant improvements to our athletic fields and a new senior community center. It will require mustering all the financial skill and experience we can on our finance committee.

Let me conclude by saying how honored I am to be your Mayor. When I retired after 39 years of public service at the Federal Reserve, I decided that being on Council was a way that I could serve my community. I underestimated how challenging that would be, as I look at things rather uniquely through the long-term lens of a central banker, public policy servant, and financial examiner. I want Hillsdale to move forward in a financially sound manner, looking at both short and long-term effects.

As I begin my second term, I promise the residents that I will continue to speak out on their behalf to the best of my ability, drawing on my experience and my knowledge, as I seek to influence decisions that will be made by the governing body. Thank you.