

**Mayor Ruocco's Remarks on State of the Borough --Annual Reorganization Meeting--Hillsdale Borough Council —Jan 6, 2019**

I first want to thank all the Borough employees and volunteers for making sure that the municipality runs effectively. The combined efforts of our police force, DPW, and paid professional & administrative staff, along with our dedicated volunteer Fire Department, Emergency Management staff, and Ambulance Corp, keep Hillsdale a safe and attractive town.

This Council has accomplished a great deal over these past 12 months, but can't be complacent. There are significant challenges ahead, and I will touch upon them in a moment. But first, let me recount what we have accomplished in the areas of **safety, infrastructure, parks & recreation, municipal services, quality of life, and lastly finances.**

Starting with **safety**, we obtained grants to improve sidewalk safety for our children on Piermont Ave and near the high school, as well as grants to install ADA compliant ramps for our disabled residents. Working with our school administrators, additional Special Law Enforcement Officers were assigned to our local and regional high school, and the police force was expanded to provide a School Resource Officer at the high school. Working with a grant writer, we were successful at getting a grant of over \$200,000 to replace FD breathing apparatus.

Moving on to **infrastructure**, we replaced the roof in this building. The Borough, through the Library Board of Trustees, was able to obtain a \$1 million donation to our Public Library. We made progress in planning for repairs of our train station and in laying the groundwork for its restoration. Our Borough Administrator, Mr. DeJoseph, has instituted a 6 year capital improvement plan covering all departments, including a commitment to consistently budget for a road repaving plan that better meets the needs of the residents. We also made a decision to step away from plans to put a removable dome over our existing competition pool at Stonybrook. Instead, we decided to explore other options for possible new construction at our pool facility that would encompass a long-sought community center.

With respect to **Parks and Recreation** facilities, we began working aggressively to assess & prioritize needed improvements to all facilities. The Borough has completed enhancements to the Beechwood Park band shell area, and planned & executed an impressive Fall Festival and a series of summer concerts, all of which were well-received by our residents. Moreover, it was successful in obtaining outside funding for improvements to the Veterans Park Memorial downtown. The latter will not cost taxpayers a cent. And for the first time, we have started a forestry management program with the assistance of a professional arborist that will guide us in budgeting funds for greater tree removals and trimming.

In terms of **delivering municipal services**, we had VERY successful snow and leaf removal seasons, reflecting in part good planning by our new DPW Superintendent, his staff, and the Borough Administrator. Our continued success in upgrading & purchasing new DPW equipment also was a positive factor in reducing breakdowns. We were able once again to secure funding for a senior citizen activity grant, despite tighter qualification requirements, and replaced our aging community transportation van.

From a **quality of life perspective**, this Council & administration made significant strides. The parking situation at Demarest Farms has stabilized, pursuant to the agreement obtained from the

County Farm Board and through the coordinated efforts of our local police department. This Council adopted an affordable housing plan that gives us protection until 2025 from builder remedy law suits without compromising the small town character of our neighborhoods. And while we continue to oppose in the Courts the return of Waste Management’s garbage transfer business, we are also exploring other avenues to the problem, and ways to convert the industrial area into a more revenue producing and attractive site. In 2018, the Council passed several pieces of legislation that improved the life of the average homeowner, including an easing of building variance requirements to make it easier for homeowners to improve their property, a noise ordinance, and an ordinance controlling the sale of marijuana. It also adopted a forward-looking Floodplain Acquisition Plan that sets forth a rationale environmental & ecological approach to minimize the effects of flooding in the Glenwood Park neighborhood, and increases our eligibility for grant monies to purchase properties.

Finally, on the **financial side**, the Mayor and Council were able to keep last year’s property tax increase to a modest level while paying down approximately \$400,000 in debt, which now stands at \$3.4 million.

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**Now let me talk about some of the things that continue to need attention, and finish up with some key challenges facing the Council.**

We are under a legal obligation to make good on our affordable housing commitments. That will involve new administrative expenses for the Borough---once again, another unfunded mandate from Trenton. The Borough is fortunate that it has limited land available for development, and is being spared the severe demands made of neighboring towns by the Fair Share Housing Corporation. Thus, Hillsdale is unlikely to experience dramatic changes to its housing stock, population, or the demand for municipal services.

The presence of Waste Management Inc. in town continues to cloud our future, and we will continue to seek their departure, mindful of the need to monitor & control our legal expenses. Closely tied to that is redeveloping the properties in the industrial area, without resorting to the use of eminent domain, so that existing property owners focus on improvement rather than opposition, and the area can be revitalized and attract new businesses and residents. This will improve our tax base, slow the rate of property tax increases for all of us, and help us satisfy our affordable housing obligations.

We must continue to oppose efforts by WCL and Montvale to withdraw from the Pascack Valley Regional school district. Withdrawal would materially increase our taxes while jeopardizing the academic and athletic offerings available to our children. The reputation of the district is a key driver supporting our property values. It is irresponsible to put that at risk because WCL wishes to shirk its financial support despite a fair and proven method of assessing school property taxes.

Two other priorities for the Borough are budgeting at least \$500,000 annually to maintain our roads, and continuing to invest in equipment to be used by the DPW to remove snow and leaves and groom our parks, fields, & playgrounds. The fruits of our recent efforts to catch up in this area have begun to appear—I have received nothing but complements from our residents on our DPW’s efforts. We must not allow the Borough to slide backward. At the same time, the capital needs of our police department and fire department must continue to be worked into the budget, less we fall behind in

being able to address the safety needs of our residents. This Council has already budgeted for the replacement of the Fire House roof in 2019.

The Borough has been approached by our sports associations seeking significant improvements to our athletic fields and recreational facilities. These requests are not without merit, both from a safety AND quality of life perspective. These types of amenities play a crucial role in attracting families with young children and enhance the overall reputation of the Borough. As I said earlier, the Council has started to assess what needs to be done, and will cost it out. The costs could be significant, possibly well over \$1 million. This Council will need to prioritize what may be requested, versus what is necessary and can be afforded, without making it too painful for the residents who do not use the fields but must foot a portion of the expense. Savvy debt issuance, prudently timed capital expense planning, the talents of an experienced municipal CFO supported by outside experts, and hopefully some fund-raising by the sports associations are likely to be needed.

Adding to the challenge will be how the project I mentioned earlier, namely making improvements to Stonybrook and the possible addition of a community center there, can be accommodated at roughly the same time. These projects too could cost several million dollars. Our CFO Mr. DeJoseph, the members of the Pool & Recreation Commissions, the Finance Committee, and the full Council are going to have their work cut out for them!!

Much will depend on the Council's ability and willingness to take steps to make our tax dollars go farther, economize where we can, and avoid unnecessary spending. The Borough is in a financial vise that is getting tighter & tighter. Our new garbage contract increased by \$130,000 each year, and our annual pension costs increased by almost \$90,000. Meanwhile, we have been assuming a much larger portion of the expense of keeping a school resource officer at the high school than the Regional BOE is willing to reimburse us for. The Council needs to address this.

The vise will squeeze residential homeowners because Hillsdale has little in the way of commercial property. Last year for example, while we kept the municipal property tax increase at a level consistent with the prior few years, we were bumping up against our 2% levy cap. Said another way, if we had needed to raise an additional \$26,000 in taxes, we would have had to seek special approval from the voters in a referendum or eat into our surplus fund account. That is simply not sustainable. It's like having to steal money from your IRA or 401K in order to meet everyday expenses.

I don't see Trenton taking steps to help us escape the vise. Neither the Governor nor the Legislature is doing anything to restore the 2% interest arbitration cap that towns used successfully for the past several years to control police and paid fire department contracts. Nor are they giving us any relief by lifting the 2% tax levy cap. Trenton has been incapable of getting its own fiscal house in order. If they were a corporation, they would be filing for bankruptcy! If they were a bank, the FDIC would be closing them down!

I don't ever want our town to be like the state government! That is why this Council must be forward-thinking, yet fiscally prudent. It is why the Council needs to pursue vigorously reasonable economic development, while demanding that anyone who proposes additional spending justify it.

Some hard decisions will have to be made about what to spend money on and how much debt to take on to finance it. It is inevitable that some residents will be disappointed. It is why we need to

press the regional high school district to assume their fair share of what it costs us to keep a School Resource Officer on the police force. And it is why this Council needs to seriously weigh its options in overhauling our aging Police Dispatch function.

The time would seem to be ripe for a shared service arrangement with the County or even with other towns. The technological advantages of partnering with the County are considerable, as are the financial savings. Hillsdale needs to be in a position where its operations are up to 21<sup>st</sup> century standards for safety, administrative, and financial reasons. The County is willing to arrange open houses at their Public Safety Operations Center just for our residents who want to learn more. They have also offered to meet with our first responders and citizens here. I implore the Council and our first responders not to let this educational opportunity pass.

A year ago, this Council had a rare opportunity to begin scoping out a proposal to merge our entire Police Dept with that of a near-by town. And to this Council's credit as well as that of our own Police Department, they were willing to explore, and if necessary, embrace it. But the idea never gained traction because the other town did not have the political will to move forward.

I also give credit to our departing Fire Chief, Patrick Doody. Last year he put up a trial balloon to the other PV fire departments regarding the age-old question of how much equipment does each town really need? Can we regionalize that aspect of our operations by sharing equipment??? Again, there wasn't a mad rush from the other towns to embrace this idea either.

I understand that there is a penchant for local home rule and resistance to change. I get it—we're all human! But the point is, when these opportunities present themselves, they must be vigorously pursued by all of us. It is the only way we are going to keep Hillsdale affordable for ourselves, our children, and our seniors. Under the Borough form of government, mayors can only speak their minds on these opportunities and encourage discussion & action. But only Councilmembers can act.

Let me conclude by saying how honored I am to be your Mayor. My long career as a central banker is over, and serving as your mayor is a way for me to give back to the community. All of us are accountable to the taxpayers of Hillsdale. We told them we would work to restore sound professional management to Borough Hall---that we would keep Hillsdale affordable and attractive—that we would strive for efficiencies and greater shared services. That is our task. That is what we will work hard to do.

Thank you.