

A SPECIAL PUBLIC BUDGET MEETING OF THE VILLAGE COUNCIL OF THE VILLAGE OF RIDGEWOOD HELD IN THE SYDNEY V. STOLDT, JR. COURT ROOM OF THE RIDGEWOOD VILLAGE HALL, 131 NORTH MAPLE AVENUE, RIDGEWOOD, NEW JERSEY, ON FEBRUARY 27, 2025 AT 5:00 P.M.

1. CALL TO ORDER – OPEN PUBLIC MEETINGS ACT – ROLL CALL – FLAG SALUTE

Mayor Vagianos called the meeting to order at 5:05 p.m. and read the Statement of Compliance with the Open Public Meetings Act. At roll call the following were present: Councilmembers Mortimer, Perron, Weitz, Winograd and Vagianos. Also present were Keith Kazmark, Village Manager; Heather Mailander, Village Clerk; Robert Rooney, Chief Financial Officer; and Olivia Andreula, Accounting Assistant.

Mayor Vagianos led those in attendance in the Pledge of Allegiance to the flag.

2. COMMENTS FROM THE PUBLIC

There were no comments from the public.

3. DISCUSSION ITEMS

A. CURRENT FUND REVENUES

Mr. Kazmark stated that three topics will be discussed this evening. Mr. Rooney will report on Current Fund revenues and the surplus balance in all funds, and then Mr. Rooney will make his recommendations relative to the final Capital Budget for 2025.

Mr. Rooney said that with regard to the Current Fund Revenues, the amount of \$6.3 million in revenues was anticipated, and the actual revenue received in 2024 was \$6.1 million, representing a shortfall of approximately \$122,000.00. He said that the shortfall had to do with fees and permits (Account 08-105). The anticipated revenue was predicated upon the anticipated loss of revenue from the recent move of Valley Hospital from Ridgewood to Paramus. Mr. Rooney explained that the Health Department charges for certified copies of birth and death certificates. Once Valley Hospital moved to Paramus, all subsequent births or deaths occurring at Valley Hospital would be processed through the Paramus Health Department. He said that the actual loss in revenue was higher than what was originally estimated, so the Village “fell short” of that number, regarding this line item, by approximately \$168,000.00.

Mayor Vagianos asked how much revenue was received in 2023 for fees related to the issuance of birth and death certificates. Mr. Kazmark explained that the fees and permits line item

concerns more than just fees issued by the Health Department. He said that the anticipated revenue for 2024 was \$461,000.00, and the actual revenue received in 2024 was \$293,147.00, resulting in a shortfall in revenue of \$167,853.00. A discussion ensued about how much revenue was received for birth and death certificates before Valley Hospital moved to Paramus. Mayor Vagianos was stunned that the revenue generated in this category was so large. Councilmember Winograd pointed out that when people are getting original birth or death certificates, they usually get up to ten copies rather than just one. Mr. Rooney added that the fees charged to one person to obtain these certificates can be as high as \$250.00.

Mr. Kazmark indicated that he asked Olivia Andreula, Accounting Assistant, to look up the actual revenue received in the Health Department in 2023. Mr. Kazmark stated that fees collected from the Health Department in 2023 were \$228,482.00. He stated that this line item (Fees and Permits) includes fees for food permits, registrar functions for birth and death certificates, and the like. Fees for dog licenses go into a special trust. Mr. Kazmark stated that it is difficult to predict what revenues will be during any one year.

Councilmember Weitz asked about Account 08-114, Rent of Municipal Property. He asked which municipal property is rented. Mr. Rooney explained that this represents rent paid for the facilities on the lower floor of Village Hall, if residents or groups want to rent the rooms for a particular event.

Deputy Mayor Perron asked about Account 08-113, Interest on Investments and Deposits. She asked why there is a deficit of \$188,476.00. Mr. Rooney said that this deficit was due to fluctuation of interest rates. Last year, there was a significant increase to what was anticipated in interest (\$1,655,314.00). This was modified according to what the Village expected the interest rate changes to be in 2024. Deputy Mayor Perron asked Mr. Rooney if more details for the categories could be provided in his spreadsheets, since she was having difficulty understanding what some items represented, and Mr. Rooney said that he would do so.

Councilmember Winograd asked about Account 08-103, Alcoholic Beverage Licenses. She said that one license was “un-pocketed” last year. Ms. Mailander replied that the one liquor license that is not in circulation still pays a renewal fee. The revenue is generated from renewal fees, which must be paid in order for the owner to retain their license. Councilmember Winograd asked if the renewal fees are lower if the license is not in use, and Ms. Mailander said that it is the same fee. Councilmember Winograd said that the number of liquor licenses issued is based upon population.

Councilmember Weitz asked about Account 08-101, Surplus Anticipated, of \$5,500,000.00. He asked if this amount is what the Village holds in reserve every year. Mr. Rooney said that the \$5.5 million is what the Village anticipates its profit to be during the year, and local government allows the Village to balance its budget using surplus funds. When Councilmember Weitz asked

where surplus monies come from, Mr. Rooney explained that surplus is the excess of revenues received by the Village over the appropriations made by the Village. There is \$5.5 million “extra” from 2024 that can be applied towards appropriations in 2025.

Councilmember Weitz asked if the reserves are part of the surplus funds, and Mr. Rooney replied in the affirmative. There was a discussion between Councilmember Weitz and Mr. Rooney about the amount of reserves that are set aside every year, and how this amount increases from year to year. The amount set aside for reserves is pursuant to a resolution passed by the Village Council several years ago, according to Best Practices, regarding how much of a balance should be maintained in surplus. Councilmember Weitz asked when this resolution was passed, and Mr. Rooney said that he would furnish Councilmember Weitz with a copy of the relevant resolution.

Mr. Rooney said that the second page of his spreadsheet for Current Fund revenues details State aid, Shared Services Agreement for the Mahwah Health Department, and funds appropriated during 2024 for State and Federal revenues of \$442,464.00.

Mr. Rooney then called the Village Councilmembers’ attention to page three of his spreadsheet for the Current Fund revenues. He explained that this was for “Other Special Items,” which he described as “one-offs” or non-recurring revenues. He said that there was a shortfall in the item labeled “Valley Bed.” When the 2024 Budget was adopted, a certain number of beds at the hospital were calculated. He said that Valley Hospital paid \$3.14 per bed, per day. This was calculated until the end of April 2024, when it was anticipated that the hospital would move, but Valley Hospital moved its main campus to Paramus on April 17, 2024. This created a shortfall of approximately \$22,000.00. Mr. Kazmark remarked that Valley Hospital also reduced its bed count in the first quarter of 2024, which was unknown to the Village until right before Valley Hospital moved to Paramus. Deputy Mayor Perron asked what the bed fee was in 2023, and Mr. Rooney said that the total revenue from Valley Hospital was approximately \$500,000.00.

Mr. Rooney then pointed out a shortfall in the Administrative Charges and Vehicle Fees for Police Outside Services in the amount of \$136,368.00. This shortfall occurred because at a certain point in time during 2024, Ridgewood police officers were not working at job sites for Ridgewood projects, since they could get paid a higher rate performing services for other municipalities, such as for Glen Rock and Ho-Ho-Kus road closures. The Ridgewood Police came to an agreement, in approximately August or September of 2024, that they would take care of Village projects first and then perform outside services. Mr. Rooney added that the Village now has a different billing service for outside police services, which has proven successful.

Mr. Rooney said that the last significant change shown on the spreadsheet pertains to the Sale of Municipal Assets. The amount of \$93,500.00 was anticipated in the 2024 Budget, and the amount of \$178,729.00 was actually received as of December 31, 2024, through the sale of equipment on Govdeals.com. Total miscellaneous revenues were short by about \$161,000.00,

compared to what was anticipated. Receipts from delinquent taxes should be flat, but Mr. Rooney said that he is still trying to finalize a few last entries for this line item. The amount to be raised by taxation will be approximately \$40 million, which would be \$240,000.00 over what was anticipated. Mr. Kazmark stated that once all of the numbers are finalized, the Village will be about \$250,000.00 ahead of what was projected in 2024.

2. SURPLUS – ALL FUNDS

Regarding the Parking Capital Fund, Mr. Rooney stated that this fund has a net balance of approximately \$8,000.00. The Water Capital Fund has \$1.4 million. There is approximately \$314,000.00 in the General Capital Fund, as a result of debt sales premium and note sales. The amount of \$1 million was used from this fund to balance the budget in 2024. Regarding the Parking Operating Fund, Mr. Rooney indicated that there was approximately \$600,000.00 at the end of 2024. Of this amount, \$400,000.00 will be used in the 2025 Budget, consistent with past years.

Regarding the Water Operating Fund, Mr. Rooney stated that there is a surplus balance of approximately \$11.6 million. Of this amount, approximately \$4.3 million will be used to balance the budget for 2025. Mr. Rooney said that the surplus balance in the General Fund still needs to be determined. He anticipates using \$5.5 million, but the final figures have not yet been calculated.

Councilmember Weitz asked what the percent of the budget would be for 2025, if the \$5.5 million were used. Mr. Rooney said that he will not know until the final budget is adopted. Mr. Kazmark indicated that it will probably be similar to last year. Councilmember Weitz noted that the percent of budget rose from 6.65% in 2015 to almost 9% in 2024.

Councilmember Winograd asked if special attention is paid to parking when the budget is “released.” She also asked if the bond for the Hudson Parking Garage was contained in the Parking Utility. Mr. Rooney said that the debt for the construction of the garage (the bond for the garage) is 100% maintained in the Parking Utility. Every expenditure that flows through the Parking Utility is raised by the revenues generated from parking in the Village. The bond is now approximately four or five years old, has approximately \$10.8 million left on it, and has a 25-year “useful life.” Mr. Rooney said that when he makes his presentation before the Village Council, he will review the General Fund, Water Capital Fund, and Parking Capital Fund. He will review the revenue streams and expenditures. Mr. Rooney indicated that when the Village Councilmembers vote on the final budget for 2025, they only vote on the taxation piece and not on the utility piece. He explained the auditing process performed by the State, regarding the budget that is submitted by the Village.

Mr. Kazmark said that he has met with all Department Directors, and all feedback given by the Village Councilmembers and Department Directors has been reviewed. A review has been performed by the Department of Community Affairs, Division of Local Government Services, of the line item for the reserve for uncollected taxes, which needs to be modified because of the “lack” of Valley Hospital in Ridgewood. Since two of the governing body members are not going to be able to attend the Village Council meeting on March 12, 2025. Mr. Rooney and Mr. Kazmark are recommending that the introduction of the 2025 budget be scheduled for April 9, 2025. This will give the Department Directors time to fully review their budget and cut back on anything that is not a priority at this time. This will also allow time for the State to respond to the Village on how the Village will deal with the taxation piece, and will allow for a full complement of governing body members at the budget introduction. It is recommended that the final budget meeting be held on April 1, 2025, at which time a final list of all of the cuts made from the budget will be reviewed by the Village Councilmembers. All of the Village Councilmembers were in agreement with this recommendation.

3. FINAL CAPITAL BUDGET REVIEW

Mr. Kazmark began by thanking all Department Directors for their diligence and cooperation during this year’s budget process. Mr. Kazmark pointed out the amount of \$2,250,000.00 for street paving (Engineering Department) on the list of 2025 Capital Priorities. This is one of the items that was introduced by the Village Council on February 10, 2025, so as not to delay the paving projects during 2025. Mr. Kazmark also pointed out the amount of \$435,000.00 for the purchase of the new garbage truck for the Sanitation Department. This is the second item that was introduced by the Village Council on February 10, 2025.

Mr. Kazmark pointed out the amount of \$350,000.00 for the soil testing and archaeological study related to the Schedler property, as well as the amount of \$478,000.00 for sewer plant upgrades at the Water Pollution Control Facility. He explained that these were bond ordinances that were introduced and adopted in calendar year 2024 but came after the Village Council introduced and adopted the Capital Budget for 2024. These bond ordinances were attributed to the \$7.5 million, which is the amount which the Village bonds on an annual basis. These items were taken off the top, before the rest of the budget was “billed out.” Mr. Kazmark pointed out the various line items on his spreadsheet that were from 2024, as well as the introduced ordinances for 2025, and the items which the Village Council will be considering at their meeting on March 12, 2025.

Mr. Kazmark then spoke about the committee formed for the pedestrian tunnel project. He mentioned that the tunnel is under the jurisdiction of the State Historic Preservation Office (SHPO), which must approve any improvements which the Village decides to make to the pedestrian tunnel. A preliminary presentation was given by an historic architect before the Village Council in September of 2024. It is anticipated that the amount of \$400,000.00 will be set aside for the pedestrian tunnel project, although Mr. Kazmark stated that this is not enough

money to complete the project. Mr. Kazmark strongly recommends that this amount be placed in the Capital Budget, because the Village would like to aggressively pursue grants through the New Jersey Historic Preservation Trust Fund and Bergen County Historic Preservation Fund. The Village needs to demonstrate in its grant application that the Village has “skin in the game” on this project, in order to remain competitive and strengthen the Village’s grant applications at both the State and County levels.

Councilmember Weitz recalled that there was an estimate of \$1 million to refurbish the pedestrian tunnel. Mr. Kazmark concurred and stated that the Village Councilmembers could view the \$400,000.00 as a “quasi” sinking fund. Councilmember Weitz stated that he was underwhelmed by the presentation made before the Village Council in September of 2024. Mr. Kazmark said that he is in the process of looking at other professionals to complete the project. Councilmember Winograd said that she was in favor of setting aside funds for the pedestrian tunnel project, in order to make the Village more “grant worthy.”

Mr. Kazmark then pointed out the amount of \$105,000.00 for the Engineering Department, for drainage, brook and river projects. He also pointed out that the amount of \$431,000.00 remains open on the bond for these types of projects. Drainage improvements must be performed in the Hope Street area, and some work needs to be performed along the Ho-Ho-Kus Brook and the Saddle River, considering the flood events that occurred in 2023 and 2024. Mr. Kazmark said that the open amount remaining on the bond of \$431,000.00, together with the appropriation in 2025 of \$105,000.00, should be sufficient monies to fund substantial work in these areas.

Mr. Kazmark stated that the last capital priority for the Engineering Department in 2025 has to do with soil remediation at the Schedler property, in the amount of \$1.5 million. Mr. Kazmark stated that he is awaiting confirmation from Matrix New World Engineering regarding when they will be able to report their work progress before the Village Council. He expects that this will occur during a Village Council Work Session in March 2025. Mr. Kazmark stated that a substantial amount of money for the soil remediation at the Schedler property must be appropriated, since excavation will be needed. Matrix has confirmed that the berm on the Schedler property must be removed. Mr. Kazmark is still waiting to find out from Matrix how much more soil has to be removed from the Schedler property, in order to meet requirements of the New Jersey Department of Environmental Protection (NJDEP). It is recommended that \$1.5 million be appropriated for this endeavor.

Mayor Vagianos asked what will be constructed in place of the berm, once the berm is removed, because the Schedler property will be exposed to Route 17, once the berm is gone. Mayor Vagianos asked if money should be set aside for some type of barrier to be constructed along Route 17, even a temporary barrier such as a chain link fence. Mr. Kazmark replied that he could certainly “widen the description” of the bond’s purpose when speaking with the Village’s Bond Counsel, to ensure that this safety improvement can be made. He does not foresee a problem

with this. However, the priority for the Schedler property will be removal of the contaminated soil.

Mr. Kazmark said that he would need to speak with representatives from the Village Engineering Department, Police Department, and State Department of Transportation to determine the best type of barrier to construct along Route 17, in place of the berm. Mayor Vagianos said that he was in agreement with this plan. Mr. Kazmark assured the Village Councilmembers that the Village will be pursuing any insurance claims available. After the report is received from Matrix, Mr. Kazmark plans on holding a meeting with representatives from the Bergen County Joint Insurance Fund (JIF), Environmental JIF, and the Village's Risk Manager to actively pursue any type of claim that can be filed, in an effort to recover a portion of these funds.

Councilmember Winograd said that the Village will also seek reimbursement regarding the trees planted on the existing berm. Mr. Kazmark said he would like to see the surviving trees on the berm replanted elsewhere, which he acknowledged would be quite an endeavor. He has spoken with Matt Andreula of the Parks Department and staff in the Engineering Department in this regard, so that a plan can be developed to relocate these trees throughout the Village. Mayor Vagianos indicated that the cost of relocating these trees could exceed the cost of simply buying new trees and planting them. Mr. Kazmark said that it must first be determined if the berm trees could survive the transplanting process, and whether it is cost effective to do so.

Councilmember Winograd summarized the amount of money which the Village has already spent on the Schedler property, much of which has been spent for public safety. Councilmember Weitz expressed his frustration about how much money has been spent on the Schedler property, yet the property is still undeveloped and the house remains empty.

Mr. Kazmark pointed out the 2025 capital priorities for the Fire Department. There is a proposed appropriation of \$20,000.00 for firefighter gear; an appropriation of \$350,000.00 to place in the Sinking Fund for the future purchase of a fire engine (an increase from the \$250,000.00 appropriated in 2024); and an appropriation of \$110,000.00 to replace Car 38 with a new car and all required equipment.

Mr. Kazmark pointed out the 2025 capital priorities for the Ridgewood Public Library. There are two requested appropriations. One is for replacement of the carpeting in the amount of \$55,000.00, and the other is for renovation of the first floor bathrooms in the amount of \$130,000.00. Library representatives may be pursuing a Community Development Block Grant (CDBG) to offset the costs of the bathroom renovations, since the bathrooms must be made compliant with the Americans with Disabilities Act (ADA).

Mr. Kazmark pointed out the 2025 capital priorities for the Office of Emergency Management (OEM). There is a requested appropriation of \$100,000.00 for an Emergency Operations Center.

Mr. Kazmark stated that Jeremy Kleiman, Director of OEM, is very concerned that in the event of a true emergency, there does not exist an adequate Emergency Operations Center in the Village. Working out of the conference room at Police Headquarters is difficult, since the room cannot adequately accommodate the number of people who would need to confer during an emergency. Mr. Kleiman is desirous of retrofitting a space at the 33 Douglas Place building for an Emergency Operations Center. This building is not located within the flood plain, while the Police Department at Village Hall is located within the flood plain, which will be beneficial in the event of another flood. There is also a requested appropriation of \$10,000.00 for upgrades to the MCI response vehicle.

Mr. Kazmark pointed out the 2025 capital priorities for Management Information Systems (MIS). There is a requested appropriation of \$65,000.00 for desktops to replace antiquated desktops in various Village departments. The requested appropriation for a server replacement and Toughbooks for the Police Department have been cut from the 2025 budget, since some unused capital funds have been found which will be used to purchase this technology equipment.

Mr. Kazmark pointed out the 2025 capital priorities for Graydon Pool. Mr. Kazmark stated that the section of Graydon Pool which is closest to the Lester Stable, near the skate park, is not fenced in. This is a safety concern for the Parks and Recreation Department. There is a requested appropriation of \$56,000.00 for fence/berm upgrades, to enable Graydon Pool to be fully contained, as well as an appropriation of \$59,000.00 for sunshade replacements, since a tree at Graydon Pool, which provided a lot of shade, has been removed.

Mr. Kazmark pointed out the 2025 capital priorities for the Parks and Recreation Department. There is a requested appropriation of \$50,000.00, an annual contribution for the Maple Turf Sinking Fund; an appropriation of \$147,000.00 for the purchase of a Groundsmaster 5900 lawn mower; an appropriation of \$160,000.00 for residential tree planting of 200 trees; and an appropriation of \$139,000.00 for accessible playground upgrades at Habernickel Park. In addition to the \$139,000.00, Mr. Kazmark indicated that the Village has received a \$68,000.00 grant from the Department of Community Affairs (DCA) for the playground. He indicated that if the Village does not allocate the sum of \$139,000.00 in the Capital Budget to bridge the gap on the project's cost, the Village runs the risk of losing the DCA grant.

Regarding 2025 capital priorities for the Police Department, Mr. Kazmark indicated that there is a requested appropriation of \$145,000.00 for outfitting police vehicles with new equipment. He stated that the leasing of vehicles for the Police Department will be contained in the Operating Budget. Whenever possible, the Police Department takes usable equipment out of old patrol vehicles and installs this equipment in newer vehicles. The requested appropriation for the purchase of body armor has been cut from the 2025 budget, since some unused capital funds have been found (\$20,000.00) to purchase this required body armor.

Regarding 2025 capital priorities for the Recycling/Sanitation Department, Mr. Kazmark indicated that there is a requested appropriation of \$63,000.00 for the purchase of a Ford F-350 truck to replace an older truck; an appropriation of \$30,000.00 for renovation of the locker rooms at the Recycling Center; and an appropriation of \$435,000.00 for the rental buyout of two garbage trucks for the Sanitation Department.

The only 2025 capital priority for the Streets Division is the purchase of a new hot box trailer, with a requested appropriation of \$44,000.00. Mr. Kazmark then reviewed the 2025 capital priorities for the Traffic and Signal Division. There is a requested appropriation of \$200,000.00 to replace the HVAC system at Fire Department Headquarters, and an appropriation of \$35,000.00 for pedestrian crossing signs (unused capital funds of \$16,000.00 will also be used for this purpose).

Mr. Kazmark summarized by stating that, taking into account the two carryover items that were bonded for in 2024, that have already been introduced and adopted by the Village Council, the bottom line for the Capital Budget amounts to \$7,486,000.00.

Mr. Kazmark stated that if the Village Councilmembers are supportive of all of these Capital Budget requests, he would like to introduce the bond ordinance on March 12, 2025, and adoption of the 2025 Capital ordinance on April 9, 2025. A final budget meeting will be held on April 1, 2025.

Councilmember Winograd thanked Mr. Rooney and Ms. Andreula for all of their assistance during the budget process. She also thanked her Village Council colleagues for their diligent work. Mayor Vagianos concurred, stating that the Village Councilmembers cannot accomplish a balanced budget without the Finance Department doing the heavy lifting. Councilmember Mortimer thanked all of the Department Directors who came forward with realistic and necessary requests.

Councilmember Weitz said that he thanked everyone at last evening's meeting. He stated that he would like to see a comprehensive "wish list" of capital projects, so that these requested items can be tracked year after year. In the event that such requested appropriations are cut one year, the Village Councilmembers can refer to this comprehensive list to see how many years the same request has been cut from the budget. Mr. Kazmark indicated that he does possess such a list.

4. COMMENTS FROM THE PUBLIC

There were no comments from the public.

5. ADJOURNMENT

There being no further business to come before the Village Council, on a motion by Councilmember Mortimer, seconded by Councilmember Winograd, and carried unanimously by voice vote, the Village Council's Special Public Budget Meeting was adjourned at 6:00 p.m.

Paul Vagianos
Mayor

Heather A. Mailander
Village Clerk