

**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 APRIL 1, 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 5:03 p.m. and read the Statement of Compliance with the Open Public Meetings Act. At roll call the following were present: Councilmembers Mortimer, Perron, Winograd and Vagianos. Councilmember Weitz was absent from the meeting. 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. FINAL BUDGET REVIEW**

Mr. Kazmark stated this evening's meeting is the final budget meeting for 2025. After the last budget meeting, Department Directors were asked to reduce their Operating Budget requests by 5% to 8%. Some significant cuts were made, but none that would directly affect services rendered to Village residents. On page 9 of the document entitled, "Budget Cuts Impacted by Department – Current Fund 2025 Introduced Budget," Mr. Kazmark pointed out that the amount of \$1,989,415.92 was cut from the budget requests, so that the budget would be in line with the appropriations cap imposed by the State of New Jersey. In addition, on page 12, Mr. Kazmark pointed out that reductions in the amount of \$2,445,834.50 were achieved by moving around some grant monies and trust funds. This amount was removed from the appropriations side so that these monies do not have to be raised by taxation. Mr. Kazmark thanked all of the Department Directors and their staff, together with Mr. Rooney and his staff, for their cooperation and hard work during the budget process.

Mr. Rooney explained that on page 1 of the aforesaid document, the amount of \$14,000.00 was added to "Other Expenses" for the Village Council, which represents the unanticipated expense of the consultant hired by the Village for the Special Improvement District (SID). The amount of \$23,000.00 was cut from "Other Expenses" for Management Information Systems. This

represents \$19,000.00 for contractual services and \$4,000.00 for training. The sum of \$75,000.00 was cut from the Tax Assessment/Administration “Other Expenses” (reserve for tax appeals). Mr. Kazmark remarked that the tax appeal deadline was today at 4:00, and he was advised by William Palumbo, Village Tax Assessor, that there are 15 pending County tax appeals, five of which have already been negotiated at the State level and then filed with the County. He stated that there was double the amount of tax appeals (31) in 2024. Mr. Kazmark mentioned that there are also pending tax appeals from past years.

Mr. Rooney stated that the amount of \$65,000.00 was cut from the Village Attorney “Other Expenses” line item (anticipated reduction for Labor Attorney, union negotiations and outstanding litigation against the Village). The amount of \$118,093.50 was cut from the Engineering Services “Other Expenses,” which will be charged to capital to offset salaries and wages, not hiring a part-time employee for \$40,000.00, and a reduction of overtime of \$20,000.00. The amount of \$500.00 was cut from the Historic Preservation Commission “Other Expenses” (general cut). The amount of \$19,000.00 was cut from the Planning Board “Other Expenses,” representing a \$6,000.00 general cut and \$13,000.00 for a Planning Consultant. The amount of \$5,000.00 was cut from the Zoning Board of Adjustment “Other Expenses,” representing professional services for a Zoning Consultant.

Mr. Rooney stated that the amount of \$70,000.00 was cut from Police Salaries and Wages, with \$5,000.00 representing a reduction in payment for those temporarily working in a higher rank, \$25,000.00 for reduced overtime, and \$40,000.00 in reduced compensation time. Mr. Rooney said that he utilized unappropriated grant funds of \$26,884.00 to offset salaries and wages. Police “Other Expenses” was cut by \$100,600.00: \$5,000.00 for reduced training; \$14,800.00 for service contract and radios; \$800.00 for an alarm system; \$75,000.00 for police vehicle maintenance; and \$5,000.00 for maintenance of equipment; with the amount of \$14,749.42 representing unappropriated grant funds that were available, to be applied towards Other Expenses.

Regarding the Office of Emergency Management, Mr. Rooney indicated that “Other Expenses” was reduced by \$20,000.00, representing \$15,000.00 for Meals, Ready to Eat (MREs) since this purchase can be made with available capital funds from prior years; \$200.00 reduction in printing; \$1,400.00 reduction in maintenance of equipment; \$700.00 reduction for supplies; \$400.00 reduction for uniforms; \$1,400.00 reduction for certifications; \$500.00 reduction for freezer replacement; and \$500.00 reduction for emergency provisions.

For the Fire Department, Mr. Rooney stated that the salary for a new firefighter has been prorated beginning July 1, 2025 (\$22,499.00), and there has been an adjustment of \$22,200.00 for the service contract for radios. For Streets and Road Maintenance, there is a \$25,000.00 reduction for salaries and wages (part-time employee); a \$150,000.00 reduction for “Other Expenses,” which includes a \$5,000.00 reduction for the purchase of snow equipment and a

\$5,000.00 reduction for chemicals. This reduction in “Other Expenses” is offset by \$150,000.00 from the Snow Trust Fund.

Regarding the Fleet Services Division (Central Garage), Mr. Rooney stated that overtime was reduced by \$10,000.00, and “Other Expenses” was reduced by \$50,000.00, representing reductions for lubricants, purchase of tires, and maintenance. For the Traffic and Signal Division, Mr. Rooney stated that salaries and wages were reduced by \$11,000.00, representing \$6,000.00 for removal of a maintenance employee and \$5,000.00 for temporary seasonal hiring. “Other Expenses” was reduced by \$12,500.00, representing \$2,500.00 for course training and \$10,000.00 in sign supplies.

For the Recycling Department, available grant funds in the amount of \$131,576.00 were used to offset salaries and wages. Mr. Rooney stated that there was a reduction of \$62,214.00 for the purchase of materials and supplies, and a reduction in disposal fees, based upon January/February 2025 pricing. The amount of \$75,000.00 will be used from the Recycling Trust Fund to offset “Other Expenses.” For Solid Waste Collection (Sanitation Department), there was a reduction of \$20,000.00 for salaries and wages. Mr. Rooney explained that a retiree in that department was replaced by a new hire, who will be paid \$20,000.00 less than the former employee. The amount of \$122,239.00 in available grant funds will be used to offset salaries and wages. “Other Expenses” was reduced by \$6,170.00, representing reductions in office supplies and safety equipment.

For Yardwaste Recycling, “Other Expenses” of \$46,000.00 will be offset by utilizing \$25,000.00 from the Recycling Trust Fund, and there was a reduction of \$21,000.00 for contractual services and purchase of equipment. For Property Maintenance “Other Expenses,” there is a reduction of \$45,000.00 for overall building maintenance, including \$5,000.00 for sanitation and \$40,000.00 for Village Hall maintenance.

Regarding the Health Department, Mr. Rooney stated that the Shared Services Agreement between Ridgewood and Mahwah will be reflected as an appropriation (\$58,600.00), offset by revenue. The amount of \$19,567.00 in available grant monies will be used to offset salaries and wages. There is a general reduction of \$1,155.00 for “Other Expenses.” For Animal Control Services, there is a general reduction of \$800.00 for “Other Expenses.” Regarding Recreation Services and Programs, Mr. Rooney stated that the amount of \$59,996.00 in available grant monies will be used to offset salaries and wages. For the Community Center, there is a reduction of \$600.00 for “Other Expenses,” representing a reduction for office supplies.

For the Parks Department, there is a reduction of \$189,719.00 for salaries and wages (three new full-time employees and one part-time employee who will not be hired this year), with a \$5,000.00 reduction in overtime. “Other Expenses” has been reduced by \$65,365.00 for the

purchase of herbicides and fertilizers, equipment repair, dumping fees, irrigation repairs, acquisition of equipment, Kasschau Shell printing, CDL testing, and horticultural supplies.

Mr. Rooney said that with regard to Graydon Pool, there is a \$4,000.00 adjustment for salaries and wages for lifeguards, and a \$15,500.00 reduction in “Other Expenses.” This reduction represents \$7,000.00 for the purchase of beach sand, \$2,000.00 for the purchase of sodium hypochlorite, and \$6,500.00 for equipment.

Regarding the Water Pollution Control Facility, Mr. Rooney stated that there is a reduction of \$55,000.00 for salaries and wages (new employee will not be hired this year). There is a reduction of \$34,000.00 for Landfill/Solid Waste Disposal “Other Expenses,” based upon the fees charged in January and February of 2025. This reduction will be offset by \$39,621.00 in available grant funds. For the Building Department (Uniform Construction Code), Mr. Rooney stated that there is an increase of \$10,232.00 for salaries and wages (change in staff), which will be offset by \$20,400.00 in available grant funds.

Regarding Accumulated Leave Compensation, there is a reduction of \$20,000.00 for salaries and wages, to be offset by using funds in the Terminal Leave Trust Fund. There is a reduction of \$10,000.00 for Salary Negotiations and Costs (Salaries and Wages).

Mr. Rooney pointed out on page 10 of the aforesaid document the amount of \$58,600.00 for the Shared Services Agreement between the Ridgewood and Mahwah Health Departments. Page 11 shows all of the grant funds that were available to offset various appropriations.

Mr. Kazmark said that he was just notified that two of the three grants utilized by the Ridgewood Health Department for programming and funding two staff members have been frozen by the Federal government, effective Friday, March 28, 2025. He has engaged in discussions with the State of New Jersey, which administers these grants, and was informed that New Jersey and other states have filed injunctions to try to prevent the freeze imposed by the Federal government. Mr. Kazmark said that the Village is currently in limbo regarding the status of these grants, and there have been discussions about what will be done if these grant funds remain frozen. He is hopeful that some direction will be given to him regarding this matter before the introduction of the 2025 Budget next Wednesday, April 9, 2025. He said that some of the numbers discussed this evening are subject to change before the final 2025 Budget is adopted on May 14, 2025. However, Mr. Kazmark stated that the grant funding used by the Health Department currently is “very much fluid” at this time. The amount of \$17,000.00 is currently available for salaries and wages in the Health Department. When asked by Mayor Vagianos how long the \$17,000.00 will last, Mr. Kazmark replied that it should last later into the spring.

Mr. Rooney stated that there is a reduction of \$718,000.00 for interest on notes, as well as a reduction of \$250,000.00 for payment of Bond Anticipation Notes (BAN), as a result of the

Village's January 2025 Bond Sale, where some of the notes were paid off. There is an increase of \$17,949.00 in unexpended funds for emergency Water Pollution Control Facility repairs in 2024. Total General Appropriations amount to \$2,445,834.50.

Mr. Kazmark stated that a pending issue is the Reserve for Uncollected Taxes. Based upon the changeover to traditional taxation by Valley Hospital, the Village had to submit to the State what the Village's tax collection rate was for 2024. Thanks to Mr. Rooney and others, an explanation was given successfully to the New Jersey Division of Local Government Services that the Village never received traditional tax revenue from the Ridgewood campus of Valley Hospital. A separate "per bed" tax was collected from Valley Hospital, based upon State law passed in 2021. The State has allowed the Village to calculate its three-year average (2021, 2022 and 2023) as the rate to be applied for tax collection, in calculating the Reserve for Uncollected Taxes for 2025. This will reduce the impact to the Village's tax base, due to Valley Hospital moving its main campus to Paramus.

## **B. WRAP-UP AND SETTING OF TAX RATE**

Mr. Rooney stated that the Village is below its tax levy cap. After taking into consideration all available revenues and the recommended appropriations, he has calculated a tax rate increase of 3.14% for 2025. Upon questioning by Deputy Mayor Perron, Mr. Rooney explained that there are two caps: an appropriations cap and a tax levy cap. The appropriations cap is derived by doing a calculation of the appropriations, which are reduced by certain items that are required by law, such as debt service and shared services, to arrive at a bottom-line figure. Two percent of the bottom-line figure is calculated to determine the maximum appropriations cap for the year. Current debt service, shared services, and similar operations are then added back to that calculated number, arriving at a credit for new construction. The municipal rate is multiplied by new construction certified by the Tax Assessor for the year, which gives the increase that the Village is going to work with, which cannot be exceeded.

Mr. Rooney then explained the tax levy cap and how it is calculated. The amount to be raised by taxation from the prior year is adjusted by items allowed by law, such as debt service, increases in healthcare costs, and anything that is a "movement" from one year to the next. For the past two years, there have been substantial increases in healthcare costs, which allows the Village to raise more money through taxation, above the cap, to pay for these costs. A two percent calculation is then done on those aspects, which arrives at the maximum amount of money that can be raised by taxation.

Mr. Kazmark said that one of the major talking points during the last budget meeting was the employee headcount. There were 310 full-time and part-time employees in 2024, and there are 314 full-time and part-time employees in 2025. The four additional employees would fill open positions in the public safety area (Police and Fire Departments). Even with the new positions

filled in the Police Department, there will not be a full contingency of personnel in the Police Department.

Deputy Mayor Perron asked how the Village's increased burden of healthcare costs (approximately 23%) in 2024 compares to 2025. Mr. Rooney said that healthcare costs are less than last year, either 11% or 14%. Mayor Vagianos pointed out that approximately one-third of the Village's budget is statutorily attributable to healthcare and pension costs, through collective bargaining agreements. Mr. Kazmark added that the only area in which the Village has discretion is in the Operating Budget, including salaries and wages. He stated that there are other significant fixed costs over which the Village has no control, such as utility costs and fuel costs. He feels that the 3.14% tax rate increase is reasonable.

Mayor Vagianos agreed, and he thanked all Department Directors and their staff for working towards arriving at a responsible budget. He added that no services offered to Ridgewood residents will be affected.

Councilmember Winograd reminded the public of the countless hours spent by volunteers to fundraise donations, such as for the Ridgewood Public Library, which helps to alleviate the need for appropriations in the Village's Budget. She stated that if taxes were to be lowered, services to Village residents would need to be reduced. Councilmember Winograd said how grateful she was to all Village staff who worked so hard to develop the current budget.

#### **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 Deputy Mayor Perron, seconded by Councilmember Winograd, and carried unanimously by voice vote, the Village Council's Special Public Budget Meeting was adjourned at 5:34 p.m.

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Paul Vagianos  
Mayor

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Heather A. Mailander  
Village Clerk