



TOWN OF DEERPARK

ORANGE COUNTY, NEW YORK
420 Route 209, P.O. Box 621
Huguenot, New York 12746
www.townofdeerpark.org

Telephone: (845) 742-5131
Fax: (845) 856-1558
E-mail: kbrabenec@gmail.com

Karl A. Brabenec, MPA
Councilman

The Deerpark Monthly Update – February 2008

By: Karl A. Brabenec, Councilman

As the month of February comes to a close, the town board has started working on solutions to combat our budget crisis. I would like to take this opportunity to paint a picture of what is going on. The total budget deficit for last year totaled \$868,000. Property tax revenue, that we are receiving this year, is going towards paying bills left over from last year. This money is supposed to be funding the 2008 budget. This fact leaves us in a predicament. Until the town receives sales tax and mortgage tax revenues, we won't have any money to run town operations.

To prevent a shutdown of the town due to lack of funds, the only viable option that the board had was to pass a Revenue Anticipation Note (RAN) for up to \$700,000. This is basically a loan to the town that is backed by our anticipated sales tax revenue. When we receive the check for the sales tax revenue, we will be able to pay off this note.

We also approved a resolution to apply for a Bond Anticipation Note (BAN) from the state of New York to cover the \$868,000 deficit. This bond would be a loan from New York State in which payback would be spread out over 10 years. The state would also closely monitor all town revenues and expenditures while we are repaying the bond. This action was absolutely necessary to avoid massive tax increases and crippling reduction of town services. It is now up to the state legislature to approve the BAN.

Unfortunately, we are not out of the woods just yet. If we follow the 2008 budget the way it was passed, we will realize another deficit at the end of this year. In the coming months, we will have to make adjustments to this budget to keep ourselves in balance. We have already voted to adjust proposed funding for the police department by \$160,000. The town board will be meeting with the chief, police commission and PBA in the near future to see how the department can best adjust. The town board is going to reexamine the budget in the coming

months to look for additional ways to save money and will also actively search for grants to bring in extra revenue.

On another note, I have scheduled my first “Open House Constituent Day” for Saturday, March 15th from 10 AM – 12 PM at Deerpark Town Hall. Orange County Legislator Melissa Bonacic will be the special guest. All Deerpark residents are invited to stop by during those hours to speak with us about any topic in a private, informal setting. We look forward to seeing you there!

Until next month, I wish you health and happiness.