Supervisor Lesko, Councilman Mazzei Outline Bipartisan Plan to Balance Brookhaven’s Budget
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FARMINGVILLE, NY - Brookhaven Town Supervisor Mark Lesko and Councilman Timothy Mazzei today outlined a series of budget measures the Town Board will be taking to address shortfalls in the 2009 budget from reducing mortgage tax receipts and other revenues. The bipartisan action plan immediately cuts $5.64 million from the budget by defunding vacant full-time positions, reducing operating expenses, and a 10-percent reduction in overtime.

"Like the rest of New York, we are in the midst of an economic crisis in Brookhaven Town, and the cuts announced today represent our commitment to fiscal responsibility as we attempt to address significant revenue shortfalls," said Supervisor Lesko. "We are confident that these measures, combined with strong fiscal management during the rest of the year, will allow us to dig ourselves out of this financial hole without layoffs."

The 2009 Town Operating Budget projected $147.3 million in revenue for the General Fund, including $15 million in mortgage tax receipts and $83 million in landfill revenue. However, based upon projections by the Commissioner of Finance after the first quarter of this year, the Town faces a potential mortgage tax shortfall of $6.6 million, a landfill revenue shortfall of $2 million, and a potential $720,000 shortfall in revenue from Building and Planning fees in the Part Town B Fund.

"The economy is continuing to take a toll on our residents and local businesses, and has impacted revenues for the Town. However, by instituting these cuts, continuing fiscally conservative hiring practices, monitoring monthly revenue reports and working to realize savings through refinancing of bonds, we will able to maintain critical services, and protect our residents from unexpected tax increases," said Councilman Mazzei. "We will continue to seek additional revenue sources, and institute long range financial planning for a more measured approach to forecasting revenues to protect our residents during these difficult economic times."

The Town Board will implement the first phase of their budget action plan at the April 28 board meeting, which will result in $5.64 million in savings. In this phase, in a series of three resolutions (407-409) co-sponsored by Supervisor Lesko and Councilman Mazzei, Brookhaven will implement fiscally conservative hiring practices and an employee cap, resulting in an expected savings of $2,039,300; operating budget cuts resulting in a savings of $3,269,470; and overtime reduction of 10 percent, saving $331,315. An additional $271,800 is expected to be raised in new revenue streams in the Part B Fund.

Over the next 45 days, the Town will continue to monitor monthly mortgage tax and landfill revenue reports, maintain fiscally conservative hiring practices, and refinance several bond issues for an additional savings of $200,000-325,000. If necessary, the Town will also implement departmental fiscal contingency plans.

This is not the first time Brookhaven Town has made budgetary changes during the course of the year to deal with declining revenue projections. In 2008, the Town Board undertook a yearlong process to reduce spending, cut waste and find efficiencies within Town government during a time of declining revenues because of the difficult economy. Throughout the course of the year, the entire Town Board was able to institute over $14.2 million in savings to fill revenue shortfalls and other deficiencies in the 2008 spending plan.

As liaison to the Finance Department, Councilman Steve Fiore-Rosenfeld added, "We need to help all working families in Brookhaven by making cuts vs. increasing property taxes. We need to take this prudent fiscal action and continue to tighten our Town's budgeted expenditures."

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