

Dear Red Hook Residents,

At the Red Hook Town Board's budget workshop on November 5, my opening comments for the minutes included facts about the development of the Tentative Budget. It was drafted after 3 months of weekly budget meetings held by the Town Supervisor with the Budget Officer and the Business Manager. In that time, we met with department heads and individual board members. Additionally, we met with individual board members to clarify questions. For the record, Deputy Supervisor Latimer was not involved in the development of the Tentative Budget. As a businessman, he has been valuable counsel to the Town Board during recent Preliminary budget meetings.

The Tentative Budget is a planning document. It is an honest financial appraisal of where we are as a small business and what we can expect in the year ahead. It proactively takes into account some the Town government's aging infrastructure. It reflects a contracting town tax base with the 2010 **loss of \$58 million in taxable assessed value**. It conservatively estimates falling revenues in mortgage and sales taxes which must not be overstated in the year ahead. Unhappily, it accounts additional costs in mandates over which we have no fiscal control. As an *operating* budget, it does not address the large infrastructure needs which from time to time we must borrow funds. The year ahead will challenge us to develop strategies that will allow us to address the substandard town highway garage.

Large capital investments are reflected in a new five year Capital Plan. Because we have carefully managed our finances for many years, we enjoy a bond rating of AA-, perhaps the highest in Dutchess County. It enables us to qualify for the lowest interest rates available.

I share the public's disappointment in the tax increase. While our 2011 projected expenditures decreased again this year, the result of aforementioned pressures find us with a tax rate increase. At last night's budget workshop the Town Board amended the proposed Preliminary Budget. It will be the final document upon which the Public Hearing on November 9 will be based. That document will be available on the town website on Monday, November 8, as well as at the Town Clerk's office and at the Public Hearing. It represents honest work and sacrifice.

Politics must be left out of the conversation when all of us...staff, volunteers and Town Board are working so hard to do the right thing for our community. No campaigning allowed!! This is serious business. This is a time to come together to problem solve. I have done everything I could to see that happen. I know we are all proud of our community and intend to continue to improve it through cooperation and collaboration.

My sincerest regards and thanks,

Sue T. Crane
Town Supervisor