



TOWN OF LAGRANGE

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# Press Release

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FOR IMMEDIATE RELEASE  
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## 2011 TENTATIVE BUDGET

LAGRANGE NY, OCTOBER 01, 2010: The Town of LaGrange has been hit with rate increases this year that will present yet another serious challenge to the budget process. Increases in health insurance premiums are projected to soar 50% more than in 2010. Insurance providers tell us that some of that increase is attributable to new taxes and fees included in the new national health care bill. The remainder represents insurance company premium increases. The budget increase for health insurance is expected to be about \$120,000.00. NYS Retirement contributions are expected to increase by about \$60,000.00. In addition, LaGrange (along with all other communities in Dutchess County) is expecting a bill from the County for election charge backs amounting to around \$30,000.00.

Town Supervisor Jon Wagner stated that "the Town of LaGrange had already reduced the 2010 annual budget spending to less than

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## 2011 Tentative Budget

2007 levels. These across the board cuts in spending have taken place in direct response to the faltering economy. Additional cuts to the town budget will likely result in the loss of jobs and services. One vacancy in the Town Highway Department due to retirement is not being filled. A total of two Highway jobs have been eliminated through attrition and Additional job cuts through attrition are anticipated. One deputy Town Clerk position remains vacant, and an employee of the Comptroller's office is being shared to fill that vacancy without hiring a new employee."

"Non-property tax revenue from sources such as mortgage tax remains at an all time low. State revenue sharing aid to LaGrange in 2010 has been reduced 6%. Revenue from these sources remains unstable and cannot be depended upon", added Wagner. "The tentative budget has **not** been reduced through the use of any available fund balance. We are hesitant to utilize fund balance as a budget revenue source at this time, and it will likely be preserved for emergency use."

The 2011 tentative budget remains close to 2007 levels and totals \$6,640,664.00 (not including \$599,280.00 for the Library)

So, what does that mean to an average taxpayer?

## 2011 Tentative Budget

A homeowner with a house assessed at \$368,000.00 in 2010 paid \$751.55 in taxes to the Town of LaGrange. That same home has generally seen its assessed value reduce by about 9%. The same taxpayer would pay about \$765.00 in Town of LaGrange taxes in 2011, a \$13.45 per year increase.

The Town Board will now meet in public workshop sessions to continue the task of working toward a final adopted budget in November. Numerous areas will be scrutinized with a goal of further reducing the budget and its cost to homeowners. Taxpayers are urged to attend these sessions. A schedule will be posted on the Town Web Site [www.lagrangeny.org](http://www.lagrangeny.org).

"There is a real possibility that layoffs may become a financial necessity, either during the budget review or during 2011 if revenues do not meet expectations" Wagner said, "Further cuts to this budget are likely. The loss of jobs is not a goal in this budget process, but may be a realistic outcome" he added.

Supervisor Wagner has met with employees and Union Members in hopes of reaching some compromise agreements to ensure jobs are preserved, but no agreements have yet been reached.

Each Department will be reviewed again during the subsequent workshop sessions, however most town Departments already have been cut back to 2007 levels. The LaGrange Library budget was

## 2011 Tentative Budget

increased by 11% in 2008, and has not been raised or decreased since that time despite the overall decreases in the town budget. The Library Board will ask voters to consider a 16.64% (Nearly \$100,000.00) increase in the Library budget on Election Day. If that vote is successful, the Town Board will be relieved of any ability to adjust that number. There is no independent source of revenue for this potential increase. The additional money, if approved will increase the town budget and increase property taxes.

The tentative budget was delivered to the Town Clerk on September 30, 2010 in accordance with State Statutes. Town Board Members have also been provided with copies.

The Town Board will meet in a special session on Monday October 4<sup>th</sup> at 7:00PM to officially receive copies of the tentative budget. That meeting is open to the public but is not a public hearing. The Town Board will continue its work on the budget during a workshop session on October 6<sup>th</sup> at 7:00 PM.

A public hearing on the budget will be held late in October or early in November.

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