

Spending cuts in budget allow town to hold tax rate

Written by STEVE OSTERMANN
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With new garbage pact and reductions, supervisors pare \$147,000 from 2012 package

Thanks to some late spending cuts, there will be virtually no increase in the tax rate to support the Town of Grafton's 2012 budget.

The Town Board last week approved a \$1.6 million budget that calls for a tax rate of \$2.60 per \$1,000 of assessed property valuation, up less than one cent from the 2011 rate.

The levy needed to support 2012 spending was set at \$1,307,065, or \$2,000 more than the 2011 levy.

The levy, which was unanimously approved by residents at a public hearing Nov. 16, was projected at \$1.4 million in the town's preliminary budget. Included in that spending plan was a 12.6% tax-rate hike, which town officials attributed to aid cuts and rising costs.

However, in fine-tuning the budget, the board pared 2012 expenditures by \$146,946. Town Clerk Erica Raffaele said the adjustments included a \$62,000 savings in a new contract for garbage collection, a \$50,000 cut in debt payments and a \$30,000 reduction in work on drainage projects.

Also helping to trim the tax rate in the preliminary budget was an adjustment in the town's property tax base. Total valuation for 2012 budget purposes is now set at \$503 million, a \$1.05 million increase from 2011.

The board agreed to a contract offer from Veolia Environmental Services that includes a \$62,000 savings for collection of trash and recyclables next year. For roadside pickup in 2012, town residents will be required to use 95-gallon containers, allowing the company to reduce its labor costs.

The board also considered a proposal from Waste Management before choosing to retain Veolia's services. The contract requires board approval following review by its legal counsel.

Town Chairman Lester Bartel said the board agreed to reduce debt payment on a seven-year line of credit from \$150,000 to \$100,000, opting for short-term savings after originally backing the larger amount.

"We could have taken advantage of the lower interest rate and paid more on the line of credit, which I favored," Bartel said. "Now we might have to pay more (in interest) in the long run, but we'll see."

Likewise, delaying some drainage projects saves money in the 2012 budget but may result in the work costing more in the future, Bartel said.

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Last year, town officials faced a similar situation when the preliminary 2011 budget called for a 12% tax-rate increase. However, the board pared several expenditure areas — including a \$80,000 reduction in debt payments — and approved a budget requiring a 4.6% rate hike.