

26 PRELIMINARY BUDGET

SUSTAINING SERVICES WHILE STRENGTHENING THE FUTURE

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October 22, 2025

DAVID VANLUVEN - SUPERV

2026 BUDGET SCHEDULE

Town Board Meetings & Discussion

Unless otherwise noted all meetings begin at 6:00 pm

Town Board Meetings will be Webcast & Archived

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- **Capital Plan** September 10 Town Board
 - **Tentative Budget Presentation** September 24 - 7:00pm Town Board
 - **Continuing Budget Discussion (if needed)** October 8 Town Board
 - **Public Hearing/Preliminary Budget** October 22 Town Board
 - **Final Budget Adoption** November 12 Town Board

**“2026 Town Budget”
link on the Town website
provides comprehensive information
and is regularly updated**

2026 BUDGET OVERVIEW

\$55.1 MILLION +\$2.7 MILLION ↑5.25%

Balanced Budget with a Levy Under the Tax Cap

Key Revenue Drivers

- **Sales Tax: Increase of \$1.2M**
- **Property Tax and PILOTs: Increase of \$442K**
- **Solar Revenue: Increase of \$251K**
- **Retirement Reserves Use: \$215K**



Increases are comparisons to the 2025 Adopted Budget

2026 BUDGET OVERVIEW

\$55.1 MILLION +\$2.7 MILLION ↑5.25%

Key Expenditure Drivers

- Most of the cost increase is in salaries, benefits, and utilities
- Employee Salaries and Wages: Increase of \$1.2M
- Health Insurance: Increase of \$634K
- Electricity: Increase of \$428K
- NYS Retirement Contributions: Increase of \$414K

Increases are comparisons to the 2025 Adopted Budget

TAXPAYER IMPACT

Levy Increase: 2.54% (within cap max of 2.62%)

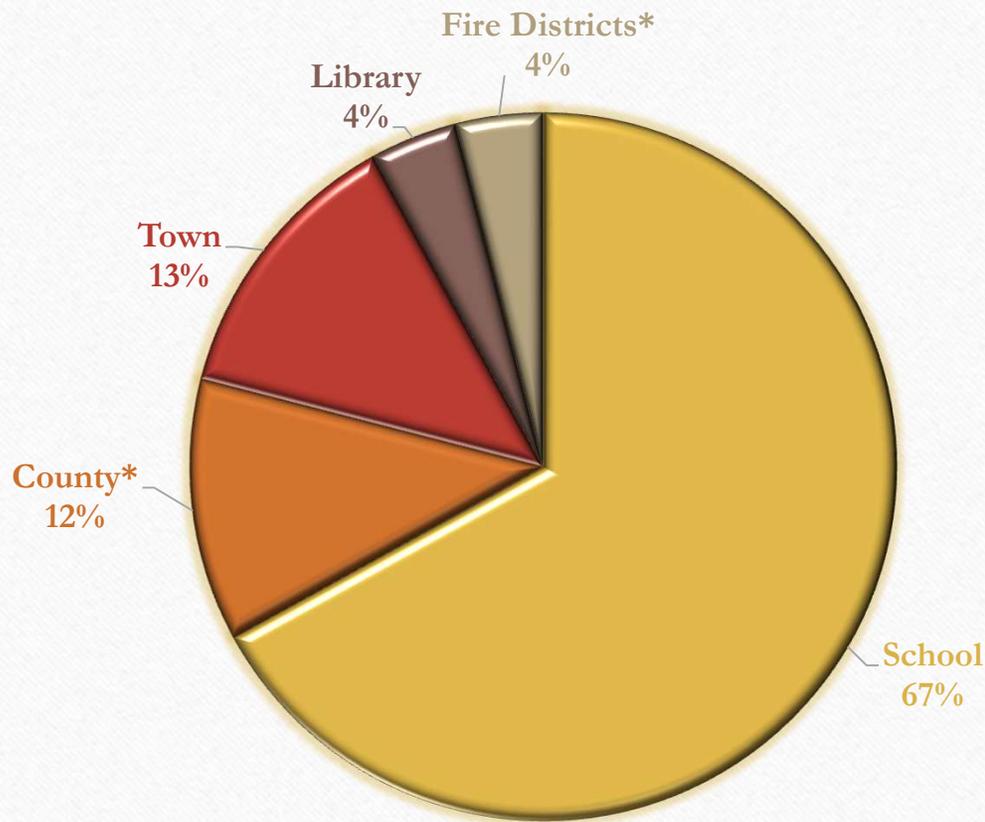
Tax Rate Increase: 2.68%

Median Home of \$250K Tax Bill Increase:
+\$28.92/year

2025 Tax Levy: One time PILOT adjustment for \$70K
that temporarily reduced bills



WHERE YOUR TAX DOLLAR GOES



- 87% of Property taxes go to other entities (mostly school)
- 12% of Property Taxes fund Town Operations
- 1% of Town tax levy is passed through to Albany County for EMS

* Due to timing, the weighted fire districts and County tax rates for 2026 were projected based on historical data.

SALES TAX, SOLAR & ELECTRICITY TRENDS



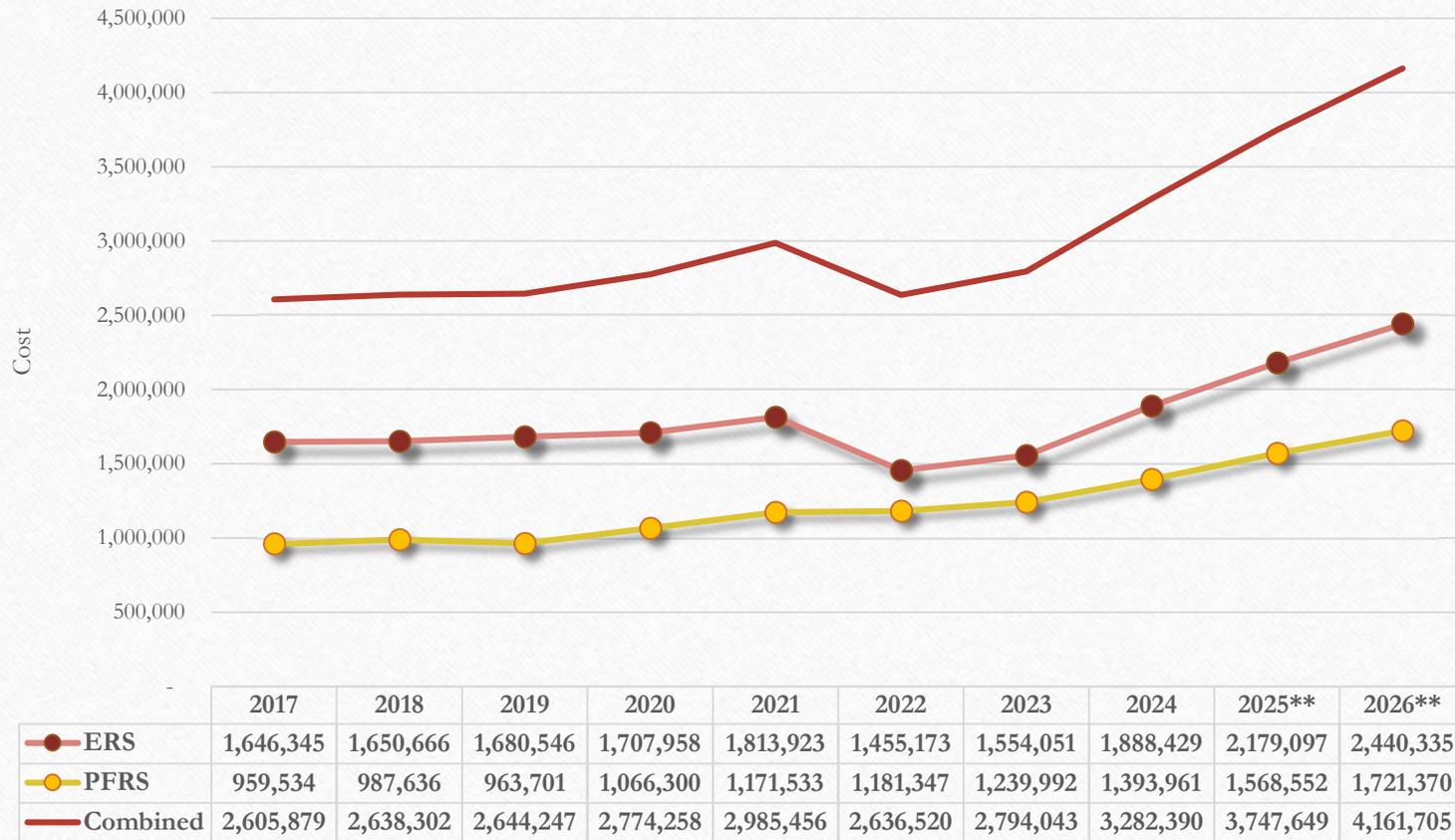
Solar Revenue & Electricity Costs

- Rising with market rates
- July '25 vs. July '24: Electricity +46%
- July '25 vs. July '24: Solar +194%
- Higher rates boost revenue & costs

A street-level photograph of a modern commercial building. The building features a mix of red and beige brickwork and large glass windows. A parking lot in the foreground is filled with various cars. The sky is bright blue with some light clouds.

RETIREMENT COSTS

- Tier 6 enhancements driving up costs 58% since 2022
- \$215K used from Retirement Reserve to smooth increase
- Reserve created in 2012 for this purpose



SALARIES AND WAGES



- 5.9% increase from 2025 salaries and wages budget
- 2% COLA and Step Table shift for all full-time, non-union, ERS employees
- 3 new positions
- 10% loss in purchasing power 2020-2024 due to inflation beyond COLA

MULTI-YEAR OUTLOOK



- Projected Deficits: (\$165K) in 2027 | (\$412K) in 2028
- Projected Fund Balance %: 17.7% in 2027 | 17.0% in 2028 (above the 15% target)
- 2026-2028: Salaries and Benefits +\$2.5M vs. Tax Levy, PILOTs, Sales Tax & Metered Water +\$2.1M
- Bethlehem remains the only municipality in Capital Region with a formal multi-year plan

CLOSING MESSAGE

Balanced. Responsible. Under the Tax Cap.
Strong Reserves, Smart Planning, and Sustained Services



The 2026 Budget keeps Bethlehem fiscally strong while supporting our employees and residents.