

## **Town of Newstead – Budget Message for 2026**

Each year in August the town department heads submit requests for funding for their own portion of the budget. The Town Supervisor, as the budget officer, then reviews that information, adds the anticipated estimated revenue sources and expenses for the main part of the budget, and sets the tentative budget. Then the Town Board reviews the budget as a whole and recommends adjustments, if necessary, to trim the budget.

The number one challenge for all towns in their 2026 budgets, including ours, is the ever-increasing costs in town expenses versus the never increasing aid the towns receive from New York State in the form of sales tax revenues, mortgage tax revenues, AIM funding and CHIPS. The cost of upkeep of town properties(6%), increase in health insurance premiums(20%) and retirement costs(7%) have well outpaced the stagnant aid towns receive. We also renegotiated 2 major contracts this year with the Highway union and the Newstead Fire Company for fire protection. We have worked over the past 2 years to eliminate the highway tax, which we have finally done in this budget. We have managed to keep this year's budget under the 2% tax cap again, but I don't know how many more years that will be sustainable.

The overall budget appropriations in the town's tentative budget, which includes all funds, will be \$6,986,668. Amount to be raised by taxes will be \$3,405,530. That amount includes the town wide general fund, highway funds, water districts, fire protection district, refuse and garbage district, and drainage district.

The general fund tax rate is tentatively set to be \$1.433180 (\$1.26 last year) per \$1,000 taxable valuation. There will be no highway tax this year. The drainage tax will be \$0.076626 (\$0.08 last year) per \$1,000 taxable valuation. The fire protection district tax rate will be \$0.821074 (\$0.78 last year) per \$ 1,000 taxable valuation. Water district rates will vary, but most have dropped or remained the same as last year depending on the district. The refuse fees will remain the same at a \$10 for flat fee on vacant land and \$214.80 for yearly full service as determined by a 5-year contract and also covers the town's expense for the various recycling programs that the town and village jointly offer. A complete detailed budget and summary of estimated tax rates can be found in the tentative budget on our website at [www.erie.gov/newstead](http://www.erie.gov/newstead) on the Supervisor's office page. The hearing on the budget is scheduled for Monday, October 27, 2025 at 7:25 p.m. Once final adjustments are made, the final budget will be adopted at the November 10, 2025 Town Board meeting.

Sincerely,

Dawn D. Izydorczak  
Supervisor - Town of Newstead