

2025 Ticonderoga Budget Summary

General Budget Information – Did You Know?

- Ticonderoga is the 2nd largest town in Essex County and has an approximate \$11.4M 2025 budget.
- Approximately \$3.1M pays for staff salaries without benefits (add \$1.5M for benefits).
- Approximately \$740,000 (or \$0.74M) is budgeted for union/non-union/retiree health benefits.
- Approximately \$1.3M funds emergency medical services and fire protection.
- The cost for EMS service is approximately 49 cents per thousand and is budgeted at \$397K for 2025.
- The Town Police budget is approximately \$1.3M.
- The Town funds approximately \$251,000 for youth services.
- The Town funds approximately \$61,000 for senior services + unplanned senior bus repair.
- The Town funds several Capital Reserve accounts each year, approximately \$400,000 (or 29% of the budget), as part of its asset management program to eliminate surprise budgetary impacts and to plan for the replenishment of items such as water/sewer systems, senior bus, police/highway/water vehicles/equipment, monument repair, airport improvements, etc.
- Approximately \$792K was expended in 2025 for water/sewer improvement debt payments.

Tax Cap Challenges

Given the town budget tax levy amount in any given year, a 2% tax cap after adjusting with the tax cap formula would allow an approximate \$100K budget growth. This can easily be exceeded by any one of the following and there are many other contributors:

- Health insurance increase will account for approximately 29% to 93% of this or possibly more.
- A 2% or 3% across the board pay increase will account for approximately 62% or 92% of this respectively.
- A typical fuel and electricity increase will account for approximately 34%-45% of this.
- Inflation rises every year from lows of 2% and 3% to heights of 6% or more.

Costs will always increase, therefore maintaining an annual tax levy under the cap is a constant struggle and more and more municipalities as well as the Association of Towns are realizing this. Use of fund balance is an ineffective way to balance a budget as the municipality starts the next year with this immediate deficit and cannot sustain this indefinitely without a town going broke.

2025 Summary

Going into the Tentative and preliminary budget...The following are noted between 2024 and 2025.

General Budget: **Increased** by \$217,838 (rate per thousand **decreased** from \$5.44 to \$4.95).

Highway Budget: **Decreased** by \$36,298 (rate per thousand **decreased** from \$2.45 to \$2.05).

Chilson Fire Budget: **Increased** by \$1,590 (rate per thousand **decreased** from \$1.79 to \$1.51).

Ti Fire District Budget: **Increased** by \$13,750 (rate per thousand **decreased** from \$1.22 to \$1.04).

Water quarterly rate: **Increased** by \$5/quarter (using \$113,037 fund balance to limit a greater increase).

Sewer quarterly rate: **Increased** by \$5/quarter (using \$39,364 fund balance to limit a greater increase).

Details – Increases/Changes Reflected in Budget

- Addition of an ambulance district (approximately \$397K) pushed the town over the tax cap.
- Addition of K9 unit to combat community drug issues (approx. \$9,000 recurring costs).
- 4.9% Health Insurance Increase from provider.
- 3.30% inflation factor for 2025. This will change throughout the year.
- \$99K in Workers' Compensation Participant share with Essex County for the next 3 years.
- 3% and 4% increase in retirement withholdings per NYSLRS.
- 1.9% increase in Ti Fire budget.
- Increased electricity costs within multiple departments per provider.
- Fuel cost increases within multiple departments + fuel for new PD location.
- 3% Union benefits and salary increases (Highway, Water/Sewer, PD) per contract.
- 3% Non-bargaining unit employee salary increases.
- Sewer district expenses increased, for the most part, on the order of \$33K.
- Water district expenses (personnel, benefits, supplies) increased nearly \$60K.
- Other increases (not inclusive).
 - Additional overtime for municipal court.
 - Increase for Police capital reserve (replace aging vehicle).
 - Increase for Sewer capital reserve (replace aging vehicle).
 - Increase Water capital reserve (replace aging vehicle).
 - Higher water and sewer costs for 2025 attributed to NYS retirement & health insurance costs.

How the Town Controlled Costs

Scrutinizing the budget and eliminating budget line items not required helped keep budgetary costs under control. Some savings were replaced by increased costs in other areas (such as increased employee benefits – Social Security, NYS retirement, etc.), but this does not detract from the fact that other costs were reduced.

- Water Department used \$113,037 of fund balance to reduce rate increase to \$5/quarter vs. \$17.
- Sewer Department used \$39,364 of fund balance to reduce rate increase to \$5/quarter vs. \$9.
- Carried \$97,410 of unspent funds to lower the 2025 budget tax levy.
- Used \$160K water fund balance to move a debt payment.
- Highway switched over to propane for heating.
- Used approx. \$25K ARPA funding to establish K9 program initial costs and eliminate from budget.
- Moved line-item expenses (~\$240K) for highway/water/sewer/police vehicles to capital reserve.
- Reduced \$15K in attorney following successful Gooseneck litigation.
- Reduced \$19K for audit needs in 2025.
- Reduced \$27K in central services. This fluctuates.
- Eliminated \$70K for EMS budgeted services but replaced with an ambulance district.
- Eliminated \$150K for sidewalk in 2025 budget by using capital reserve more and more for this effort.
- Over \$35K reduced in 2025 for transfer station repair and miscellaneous now that this is complete.
- Reduction of \$10K in retiree Medicare/etc.
- Increased general revenue by approximately \$80K.
- Increased Highway revenue by approximately \$64K.
- Scrutinized sewer heating oil and reduced \$10K.
- Scrutinized sewer boiler maintenance and reduced \$40K.